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INSIDE STORY

THE COVER: Canada's Press: Is It Doing Its Job?

Bill Boss—after a long career with *The Canadian Press* in which he distinguished himself as a war correspondent—is now Director of Public Relations for the University of Ottawa. His experience qualifies him to tell "Why Canadians Are Badly Informed" on Page 11 and to reveal some of the deficiencies in publishing and in today's journalistic practices.

David Grenier, editorial writer for a Toronto daily newspaper, looks at the world scene in "Some Strange Post-War Alliances" on Page 13. Examples of these new "axes" are Washington-Bonn, Washington-Tokyo and Bonn-Paris. More importantly, he points out, U.S. thinking in both military and economic spheres does not coincide with Canadian interests.

Dr. E. P. Neufeld, Professor of Economics at the University of Toronto, examines on Page 15 the underlying philosophies of Finance Minister Fleming's recent budget. He finds that "policy actions of the Bank of Canada may conflict with policy actions of the Department of Finance" because of basic disagreement. The Minister, however, apparently feels that his economic policy must be in harmony with the concept of a system of free enterprise, a factor which led him to decide against any direct controls.

With the decision of Canadian Banks to discount U.S. silver, the matter of the Canadian dollar premium has reached down to the lowliest pocketbook. **Jack Miller**, M.A.Sc., P.Eng., who is with a member firm of the Toronto Stock Exchange, offers a solution in "How to Cut the Premium" on Page 17.

Beverley Nichols, SN's London correspondent, tells of the total collapse of British stage censorship in the current success of the play *Fings Aint What They Used to Be* in which the "heroes" are pimps and the other characters prostitutes and homosexuals. He tells, as well, how the Street Offences Act has led to a concentration of vice in the Soho district of London. See *London Letter* on Page 25.

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Letters

Hitler Was Voted

Two Germans, eh? I have you know, that we Germans do not want to become a nation, we are one since a long time, and all we want is one country! 15 years after the war we want a peace treaty that unites the fourth zone with the other three, and never mind what the outcome in dollars!

Although we are a poor country in resources and have to make our living with our heads and hands, money still is a matter of exchange.

Even if fiction makes a better story, it is good policy to stick to facts. There is always somebody in the audience nowadays who was on the spot. Hitler did not come into power by violence. He was voted. I remember this special election like yesterday. We had the choice of either being smothered then and there by the strangers, who had juggled their way to financial power via inflation and by then controlled 75% of everything; or we could vote an authoritarian who would demand the front door keys back.

Canada, whether you realize it yet or not, is approaching a similar predicament. NORTH YORK R. PETERS

The Guiding Beam

May I through the pages of your excellent magazine comment briefly on a letter by one, Morris Hirsch, parent, teacher, and child psychologist replying to Mr. Cy Groves "Who Beat the Beat Generation" [Point of View Mar. 5] a letter which is certainly no less vitriolic than the one he so much deplores, and which by its negative and inconsistent approach lends weight to the validity of Mr. Groves' article.

Quoting Mr. Hirsch in part, he says: "Parents and teachers are not failing their children as much as it is thought; in fact they are doing an excellent job".

Are we to infer here that there is no increase in juvenile delinquency the world over, or that the delinquents are the authors of their own dilemma? Surely the latter cannot be Mr. Hirsch's contention.

He goes on to say: "Our society is constantly changing" (meaning here no doubt that people are constantly changing in thought and action) "and one certainly must not blame our parents and teachers completely for the confusion of values and standards".

One gathers from this last remark that some blame may be laid fairly at the door of parents and teachers but Mr. Hirsch is uncertain as to the amount, and having admitted the fact that there is confusion of values and standards, he arrives at the kernel of Mr. Groves' thesis.

What is required today is bold forthright leadership so sadly lacking at the home, school, and governmental levels. Just as the Royal Astronomical Observatory at Greenwich beams out the time daily to prevent drift, so do we as individuals need the guiding beam of the Golden Rule to prevent spiritual drift, held so long incompatible with the modern business world, yet without which all our gold and silver must turn at last to dross. BRANTON F. HINE

The Long Battle

The timely article appearing in your April 2 issue, "How Canada Wastes its Woman Power" and its reasons are illuminating. "Not legal barriers, but social pressures". Perhaps the lead Russia is giving along these lines will force the West to wake up! She accepts women on an equal basis in all professions and in government, and the statement of Dr. Franklin Murphy bears repeating when he says "we must understand that the insatiable demands for intellectual activity of the next half century cannot be satisfied by male segments of the population".

This age-long battle is nearing to a close and let us hope that pioneers who have paved the way will be honestly paid in coin of the realm thereby making it possible to uphold a decent standard of living.

VICTORIA A. CAROLYN BAYFIELD

The Dead Duck

I was glad to note the firm denial by our Minister of National Pretence, the Hon. George Pearkes, of Mr. Hellyer's absurd suggestion that the Bomarc is a "dead pigeon".

It may perhaps be true that the country of its origin has now ditched the Bomarc. It is true that before the millions were committed I made a personal effort to point out the futility of this particular barrel of junk. It is also true that I thereby qualified for official remonstrances from

the Defence Research Board, by whom I was then employed. I have documentary proof of these statements. But to call the Bomarc a "dead pigeon" will be regarded as both flippant and in poor taste. A subject as serious as National Defence should be treated with the gravity it deserves.

Besides, the Bomarc is not a dead pigeon. It is a dead duck.

QUEBEC CITY JOHN B. WITCHELL

Crocodile Tears

You said [Comment of the Day: March 19] "Finally it is not even Christian to take a man's life" You did not mention "whosoever sheddeth man's blood."

Why didn't you comment on the idea of the other members, past and present, as well as advocating the proposals of McGee, Fulton etc.? You evidently did not read your Hansard.

To top it all, not a word of sympathy or even a "crocodile tear" for the victims or the loved and dependent ones left behind.

CHATHAM JOHN G. WATSON

Not London, Ont.?

While supporting your view on the parochial attitude which insists on informing us that Montreal is in P.Q. and Ottawa in Ont., may we go a little further? Why not let us take it for granted that London is in England and Paris in France?

OTTAWA LESLIE W.C.S. BARNES

Shallow Snooping

Your article "Lightning on the Literary Landscape" [SN: March 19] were best left unpublished. It filled me with despair for the plight of writing in Canada.

What business has your reporter or his readers to pry into the private affairs of this talented young girl? A respect for what she is attempting to do and the legitimate interests of your readers requires an honest criticism of her work. But you have chosen to explore her personal life in order to satisfy the insatiable curiosity of those people who have no serious interest in Canadian literature, those who would "inevitably speculate" on "whether or not she has actually lived any of the life she writes about".

I suggest that a national magazine of

ious purpose must impose self-restraint when tempted to follow the practice of the popular press in ruthlessly intruding upon a nineteen-year old girl and ferreting out her irrelevant and private affairs in order to satisfy the curiosity of some of their readers.

If it does nothing worse, your article will surely confirm this girl's desire to flee from her own country to Paris where presumably, if she chooses, she can be free to develop her art without lectures from the church and the shallow snooping of news reporters looking for gossip.

TORONTO

PETER WEBB

Literary Pot-Hole

I'd like to make some comments on The Governor General's Awards as written about by Robert Weaver.

Outside of the fine bequest of \$1,000 to award winners, the new system is inferior to the old and it will breed other inferiorities. For one thing, the old categories of fiction, poetry, creative non-fiction, academic non-fiction, and juvenile were splendid. Why juveniles, one of Canada's most fertile literary fields, was omitted I'm sure I don't know.

The inclusion of awards for French language literature is destructive to Canadian identity. A book is a book is a book, and to make a special category for the French is to give in to them. After this concession, the Germans, Ukrainians, Poles, Italians, Hungarians, Chinese, Japanese, Scandinavians, will demand prizes for their books and have every right to do so.

I also question what Robert Weaver says about Hugh MacLennan and Irving Layton. He calls *The Watch That Ends The Night* a bad novel. Why, this is one of the greatest Canadian novels ever written; never has there been so much Canadian identity since Louis Hémon's *Maria Chapdelaine*. Weaver, a CBC literary producer, then applauds the choice of Layton's book of poetry for an award. Layton should never have won this award; the judges obviously were overwhelmed by the publicity. Layton's book is epigrammatic verse-prose and never should have won. I think Professor Fred Cogswell's *Descent From Eden* should have won the poetry award — a most beautiful book of poetry.

What angers me most of all is that the judges chose no prize winner in the non-fiction class. Without a doubt this award should have gone to *The Desperate People* by Farley Mowat, a Canadian craftsman of words.

To have Robert Weaver suggest that Lionel Shapiro's *The Sixth of June* should have won the Governor General's award of 1955 is to put his foot in a literary pot-hole.



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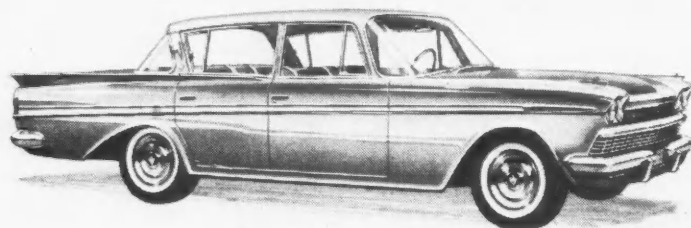
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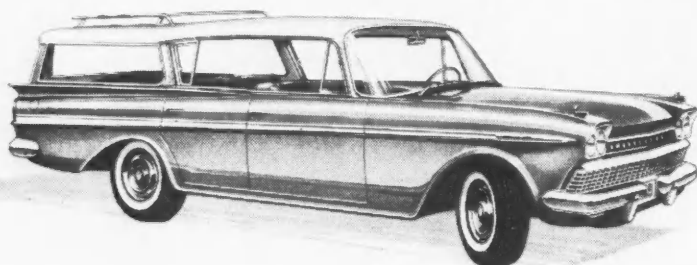
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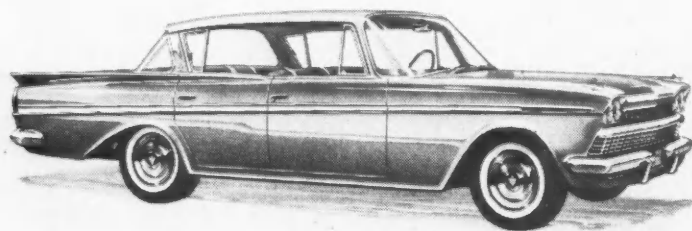
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I do go along with Weaver, however, when he says the award money should be five times as much. In fact, ten times as much!

TORONTO

STAN OBODIA

Poetry or Pen-in-Hand?

I liked Robert Weaver's article on The Governor General's Awards in the April 2 issue of Saturday Night.

I was particularly enthusiastic about this:

"... the Toronto poet, Raymond Souster has never won the poetry award and he should have . . ."

All judgments in art are bound to be subjective. But in my opinion Raymond Souster is one of Canada's most important poets. Largely because he is passionately honest and, up till very recently, honesty was the quality most sadly lacking in Canadian poetry.

Now, I think SATURDAY NIGHT would be making a further contribution to Canadian literature if it returned to its onetime policy of printing a few Canadian poems.

SATURDAY NIGHT once printed poems by Irving Layton, the latest winner of The Governor General's Award for Poetry. And I remember seeing some good verses by two other important poets, Louis Dudek and Fred Cogswell.

Why not start by abolishing your Letters Column and substituting the occasional page of poetry?

HARTLAND, N.B.

ALDEN A. NOWLAN

With a Capital "N"

Have just finished reading my April 2 issue of your most comprehensive and enlightening magazine. However, being a member of the Negro race, I must take exception to the article entitled *Black America* in Comment of the Day.

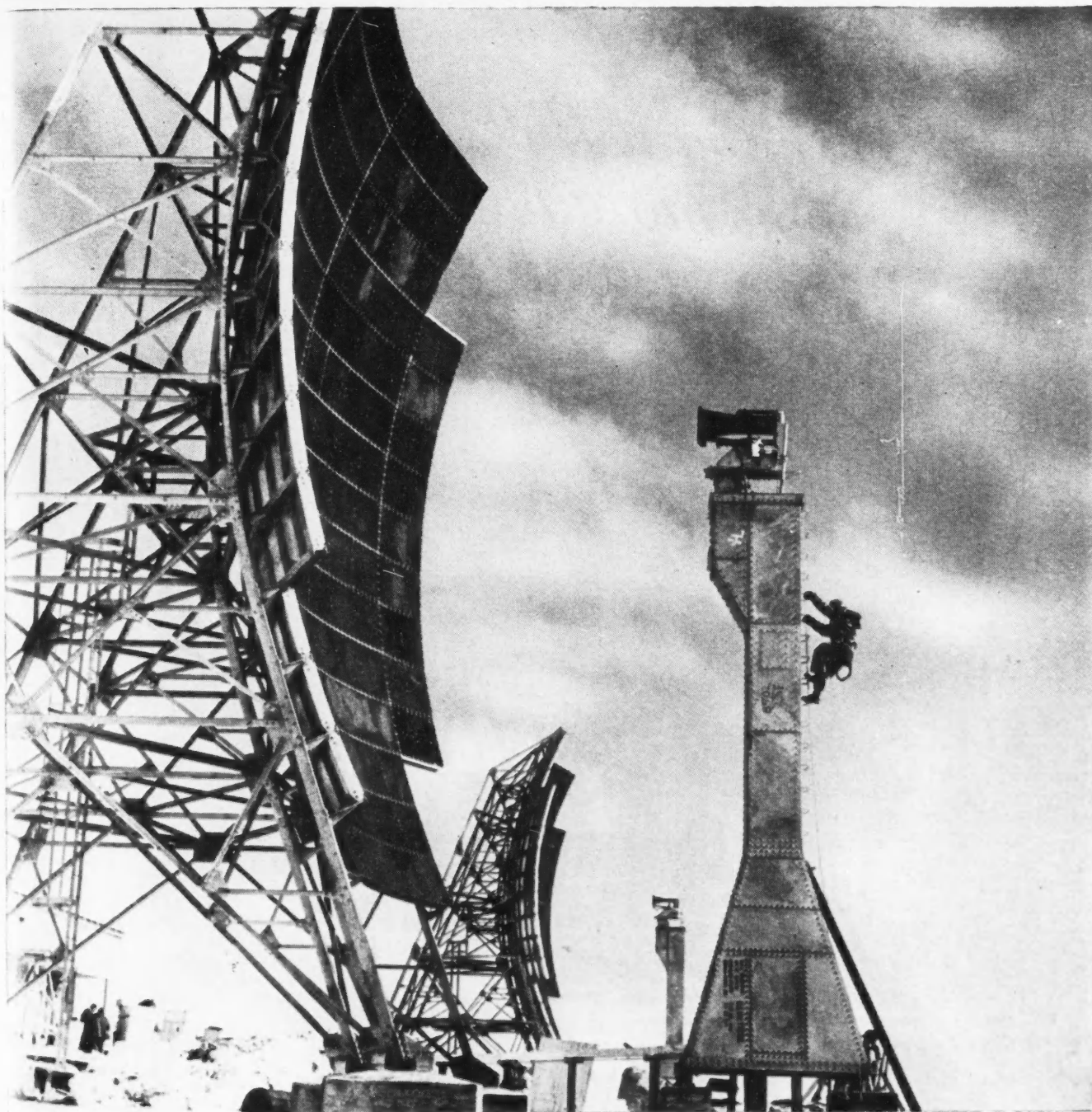
The article in itself is highly commendable and very favorable in bringing out the true facts as they exist in the Southern States today. But I must draw your attention to the omission of the capital "N" in the word Negro, the inference being that the writer concurs in the beliefs that the Negro is not entitled to take his rightful place among the races of the world (this is the contention of the Southern White) and thus he is relegated to the status of a nobody.

Negro is a proper noun; therefore, I believe, it should be spelled with a capital "N". This may seem picayune, but it's these little things that add up to the perpetuation of this ignorant belief that is held by the bigots of the day. I don't say that this error was deliberate, but I do say that it was in bad taste. Hoping that in future these little things don't crop up in your wonderful magazine, I shall remain a subscriber.

TORONTO

LAMONT A. TOBIAS

SATURDAY NIGHT



Dial 1-1-0 for Labrador!

These remarkable steel structures are known as scatter towers. They stand on the northern shore of the St. Lawrence near Seven Islands and are the first in a line of 20 similar units that cross Quebec and Labrador to a point near Goose Bay. They belong to the Bell Telephone Company and Québec-Téléphone, and form part of a microwave installation that links a 2,000 line exchange with the national system.

The installation employs an interesting phenomenon known as 'tropospheric scatter.' Signals are beamed from station to station but, because of the curvature of the earth and the distance between the stations, they cannot be beamed directly. Instead, the signals shoot off into space and the huge towers collect the scatter which bounces back to the earth from an atmospheric

layer. This is then transmitted to the next tower, and so on.

These large structural steel and platework antennae must be very precise in shape. Each dish is about fifty by fifty feet and is required to withstand winds of 125 mph and ice formations three inches thick on both sides. 16 of the 20 towers were fabricated by Dominion Bridge and all were erected by D.B. field crews. Consulting engineer for towers: Brian R. Perry, Montreal.

This is an example of Dominion Bridge at work. Five divisions: Structural, Mechanical, Platework, Boiler, Warehouse Steel. Fourteen plants coast to coast.

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Comment of the Day

We Won't Eat Paper

IT IS SURPRISING how whirling words come home to roost. If memory serves, it was only three years ago that the Liberal budget was characterized as a "do-nothing budget" by the Conservatives. Now the Conservatives' budget is so called by the financial critic of the Liberal party.

In both cases the description is apt. Mr. Fleming is going to stand pat on his policies even though those policies are in direct contradiction to the expert theories of W. J. Coyne, the Governor of the Bank of Canada.

Mr. Coyne thinks that we are living beyond our means and that the continued inflow of capital from abroad which disguises this fact will ultimately bankrupt us. Mr. Fleming says: "I do not anticipate that, if we manage our affairs prudently and properly, Canada will indefinitely continue to rely on capital from abroad. I expect that our need for capital from abroad, while fluctuating from year to year, will continue to decline in relation to our economic development and growth."

This generation of our own capital is something which Mr. Fleming pinned his faith on before. In commenting on his budget last year we said in these columns: "If the seven percent GNP increase is not going to be partly, even largely, made up of a general price increase we will eat the excise labels on a case of whisky." It is of only minor comfort to us that we shall not have to do this. The white paper preceding the 1960-61 budget showed the rise in GNP was not seven percent but six percent and that more than one-third of this was accounted for by higher prices.

Mr. Fleming's and the Government's belief that we are generating more capital and more wealth doesn't seem to be proved over the past year. We are only spiraling into more inflation, as, in fact, Mr. Coyne charges.

Domarc Bumbledom

THE PENTAGON has pretty well abandoned the Bomarc. From an original target of 32 Bomarc stations across the United States from coast to coast, half that number was lopped a year ago. This Spring the number was reduced to eight. If this process of halving continues, the United States will only be building as many sites

as Canada is scheduled to do. But since the Americans do not wish to spend any more money developing the Bomarc—the 50 million dollars voted for it in the next fiscal year have already been termed “funeral expenses”—and as the type of Bomarc which Canada is to get has not flown yet, maybe all four stations will soon be in the discard.

As far as we are concerned this could not happen too soon, for the Bomarc program in Canada has been a fizzle since it was conceived. And though one can admire Mr. Pearkes' courage and persistence in defending his plan, we can't say too much for his common sense.

In fact it is Mr. Pearkes himself who has taken the matter out of the realm of hard facts into the fuzzy area of emotion. What else can we infer when such an expression as "sacred undertaking" was used in relation to the purchase of a piece of military hardware?

Could it be that these high protestations are to cover up the sordid political fact that one of the Bomarc installations, the one at Mont Laurier, is located in Labelle where a by-election is soon to be fought?

In the face of the American rejection and with the by-election out of the way, we hope that the Bomarc will finally be hit on the head. If, as our reports indicate, work on the sites has not been progressing

too swiftly anyway, perhaps not too much money has been wasted. But it will be a long time before the present Minister of Defence can ever seem to be serious to his colleagues again. Such high mindedness on the part of petty politics is a very easy target for the Opposition and they may be more efficient at getting their missiles in the air on Parliament Hill than the United States Army has been in getting the Bomarc into the air down South.

Ottawa's Ecclesiastical Calm

THERE ARE NOT many things we do better than the Americans, but our approach to religion in politics seems to be one.

For months now there has been a furore in the United States about Senator Kennedy's Catholicism. *Life*, *Time*, *Look*, *The New Republic* and other periodicals have had fairly inflammatory pieces shuddering at the implications of a Catholic being President. Just recently, indeed, the *Wall Street Journal* got into the act with a lead editorial showing the difficulty of divorcing religion from politics.

Perhaps the Americans can take a leaf out of our book. We alternate Catholic and Protestant Governors General and even Catholic and Protestant Prime Ministers. Yet Canada under Mr. St. Laurent did not seem to be a province of Rome



"But I don't want them to go back!"



Canada's First Quantity Token Issue...



To augment the short supply of currency in Lower Canada, penny and half-

penny tokens were issued during the first half of the nineteenth century. The most famous are the rare Side View tokens issued by the Bank of Montreal in 1838 and 1839. They show the front and side view of the bank's original head-office building in Montreal. A Side View penny today is worth about \$75.

Canada's First Real Money

Canada's first real money, in the form of bank notes, was issued by the Bank of Montreal—Canada's first bank—when it opened its doors for business on November 3, 1817. Later, the bank provided copper coinage. With the passing of the Currency Act in 1841, B of M coins became recognized legal tender of Canada.



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SD-275

any more than Canada under Mr. Diefenbaker seems to be under the thumb of the Baptist church. As for General Vanier, he seems to find no inconsistency in being the official and constitutional representative of a Queen who is, by law, compelled to maintain and protect the Church of England as her official church.

Perhaps religion is less likely to be a dominant influence in our parliamentary system than it would be in the lobby-ridden Congressional system of the United States. But it might be worthwhile for some of the Washington pundits to take a second look at the ecclesiastical calm of Ottawa before getting too frothy about the next resident of the White House.

Natural Gas Capital

THERE HAS BEEN unanimous approval in the business world of the National Energy Board's recommendations, now approved by the Cabinet, which will allow large quantities of natural gas to be exported to the United States.

A few dissident voices raised the cry that we were once more just mining our natural resources when we should be using them to develop our own secondary industry, but in this instance it would seem that new sources of energy will be able to cope with industrial expansion even after gas reserves have been depleted. Nuclear power is certainly no fur-

ther away than thorough industrialization of the Canadian Mid-west.

Other voices were heard to claim that the price at which gas was exported was lower than that which Canadians would pay. There are two things to be said about this.

(1) The demand for gas from the States is firm and predictable and the contract price can be lower because the load factor is higher. In other words, the American customer agrees to take more and at a steadier rate than the Canadian one.

(2) The American customer is often nearer to well-head than the Canadian one which means his share of piping costs is that much less. (It would surely be a very peculiar attitude for the protestors to maintain that we should subsidize Canadian pipelines by charging high American prices—the gas situation is too competitive for that kind of deal).

Taking it all round then, the decision to export large quantities of natural gas means the profitable exploitation of our reserves and a very necessary shot in the arm to our economy just when it appears from all indicators to need it. For the production, transportation and servicing of the new export contracts will mean total capital expenditures of hundreds of millions of dollars—not to mention an estimated earning power of \$75 million a year by 1963.

Battle Hymn of The U.S.A.*

OUR EYES have seen the glory and the riches of the Rand;
Of the world supply of diamonds we hold absolute command;
There is simply nothing lacking in our wealthy Vaderland,
So we'll go marching on!

*We're a strong, defiant nation,
Independent federation
Based on racial segregation,
And we'll go marching on!*

While we may be short on mercy, we've been anything but slack
On original refinements in the treatment of the black:
For we club him with a rifle-butt or shoot him in the back,
And then go marching on!

*Glory, glory to the fights here—
Glory, glory to us whites here,
Only ones with any rights here—
So we'll go marching on!*

"We regret; deplore; condemn" from alien governments we hear:
Do they think such arrant nonsense falls on sympathetic ear?
We'll persist in our intolerance, our bigotry and fear—
Yes, we'll go marching on!

*Hertzog, Dan Malan and Strijdom:
Foreign nations can't abide 'em;
Who in hell are they to chide 'em?
Their shades go marching on!*

*Union of South Africa

J. E. P.

Perhaps the nicest Avis 'extra' is a little extra care

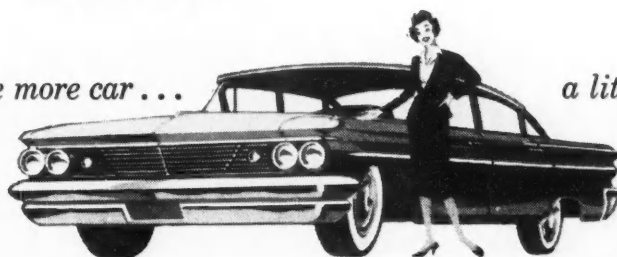


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Why Canadians Are Badly Informed

by Bill Boss

SOME SOUL-SEARCHING among Canada's newspaper publishers—and the readers of their publications—ought to have resulted from the publication last year of Francis Williams' powerful dissection of their craft, a book entitled *Dangerous Estate*.

Sub-titled, "The Anatomy of Newspapers," Mr. Williams' analysis concludes with these words:

"But those who serve journalism serve one of the great professions of the world. The allegiance it properly commands is absolute.

"Those who give it that allegiance need stand in no man's shadow."

The trouble with Canadian journalism today is that too few engaged in it have given it that allegiance. For the rest, journalism is a tool for the production of dollars and cents. And that goes for all the hierarchies, from the publishers down to the latest reporter entering the news room with his eyes already on a post elsewhere — in the higher-paid public relations industry.

It is a truism that in the Liberal Western Democratic tradition, the Press is the bastion of freedom. Its freedom lies mainly in the exercise of its right to report the facts honestly, to comment upon them fearlessly and to hold fast to its independence. Democracy's survival depends in great measure upon the competition of ideas, their acceptance or rejection in the sifting processes of public opinion, and in their implementation at the leadership level.

Deprived of the ideas, in all their mad variety, that process cannot function. It is stifled before it can start. And it can be questioned whether Canada, already a power of much weight in the councils of the world, is sufficiently informed as a country to direct with intelligent pressures the policies of her representatives. For in

matters of foreign policy the Canadian government — like most of the rest of us—operates in a virtual vacuum.

Reports from its diplomatic missions arrive late and are not necessarily complete or helpful. News reports in Canadian newspapers are factually accurate but tight in length, light in background and seldom supplemented by informed comment from on-the-spot observers. Steps taken or neglected by government, therefore, awaken hardly any public response since information and ideas are lacking. The public "conscience," indeed, appears confined to the university-student level, there to flicker briefly and then to die on "graduation" into the staggering unconcern of a work-a-day world tottering on the brink of nuclear chaos.

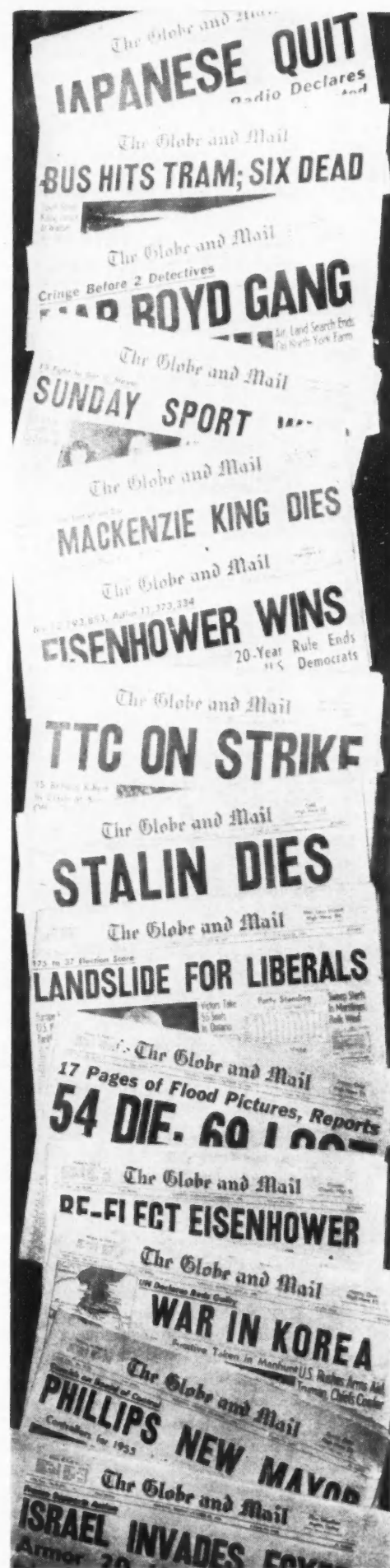
Canada's communications media, to give them credit, have accomplished much in giving her people, a Canadian consciousness. The most effective, without doubt, is *The Canadian Press*, which continuously distributes among its 100 member newspapers, well-backgrounded articles which, under the guise of news, interpret one part of Canada to the others.

The influence of CP and its two services — one in English, the other in French — cannot be over-estimated.

Such work would be impossible, too, without the active support of the member newspapers' publishers and staff.

Equally significant has been the parallel activity of the CBC in radio and television. In the same terms, the country's private broadcasters have measured up to neither their opportunity nor their responsibility.

Certain national magazines, such as this, and *Maclean's*, are continuously effective in awakening, developing and expressing this new "Canadianism."



On domestic matters, then, there is no lack of factual material and informed comment, available to the interested reader, listener or viewer, although even there the Board of Broadcast Governors has had to be stringent with the television operators.

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There is another area in which the publishers have ignored their responsibilities — that of the arts.

Canada has passed the frontier-development stage. In this country the creative arts of writing, music, painting, sculpture, ceramics, ballet, have started to flourish, due in part to the fostering role of the Canada council, due in part to the fact that the country individually is showing itself mature and responsive enough to put out good money in support.

Yet only the metropolitan papers maintain serious writers in these domains. And nowhere is the national accomplishment drawn into focus. The obvious answer would seem to be, as a start, to have *The Canadian Press* retain a specialist in the field, whose articles would go out to the membership; and the same could be said for science and medicine — fields in which Canada is becoming increasingly important.

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Some Strange Post-War Alliances

by David Grenier

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The burial of past hatreds is all to the good: no country should allow itself to be tied indefinitely to the past. But the problem arises whether or not the creation of these new alliances has taken place at the expense of older ones.

This question is not one that is of merely academic interest to Canada. Far from it, for it concerns Canada in three vital fields — her relations with the U.S., with the Commonwealth and Britain, and finally with Europe. On it rests the strength of the Atlantic Triangle (Ottawa-London-Washington). Related to it is the importance — or impotence — of the Anglo-American alliance.

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The existence of this highly trained and well equipped force is undoubtedly causing Russia a good deal of anxiety — as witness the strenuous efforts made by Premier Khrushchov to discredit West Germany on his recent visit to France.

Military reasons are not the only ones behind the current Washington-Bonn entente. West Germany's economic strength and her vital role in the newly-established European Economic Community must also be considered. Today, economic union; tomorrow, political union — the United States of Europe which the U.S. would like to see established.

It is these hopes that have drawn Bonn and Paris close together; closer in fact than the two countries have ever before been in their history. The establishment of the European Coal and Steel Community, the peaceful solution to the Saar problem, the emergence of the "Inner Six" and the French support for German rearmament have provided a new basis for Franco-German cooperation.

The friendship has been consolidated since De Gaulle's accession to power in 1958. France has backed Adenauer's tough stand on West Berlin and German reunification, while Bonn in turn has refrained from criticism of France's Algerian military adventure or her efforts to gain admission to the nuclear club.

In view of strong U.S. feelings during World War II that Japan was the main enemy, it is probably no less surprising to see Washington-Tokyo emerge as an axis. Here American postwar occupation, together with the disastrous failure of U.S. policy in China, are probably the main cementing factors. Apart from the need for air bases in Japan and Okinawa, the U.S. has recognized the need for a counterpoise to Red Chinese influence.

Washington's new alliances have come about partly from the attempts to retrieve past mistakes, but they have also been influenced by the decline of the traditional Anglo-American alliance. As an imperial power, Britain looks and belongs to the past; as an economic power, her resurgence since the war has been slower than that of many other nations.

The military impotence of Britain was disguised in the early 1950s — at least in part because of her possession of the nuclear deterrent. Suez brought it out into the open and made it clear that, while the U.S. could act without Britain, Britain could not act without the U.S.

Moreover, on the matter of European economic union, Britain and the U.S. have been at loggerheads. Stressing Commonwealth ties, Britain stayed out of the European Common Market. Now she is the leader of an outer ring of seven European nations which plan to establish their own free trade area, then negotiate with the "Inner Six".

In this situation, with the threat of a European trade war looming, Britain's stand is with the Outer Seven. U.S. sympathies are with the "Inner Six" — a fact brought out clearly on Prime Minister Macmillan's recent trip to Washington.

The strength of the Atlantic triangle hinges on the Anglo-American alliance. The cost of technological change (guided missiles being the best example) and the U.S. espousal of "realpolitik" has shifted the balance of Western alliances. It appears likely that it will become increasingly difficult for the U.S. to avoid the type of master and vassal relationship which Sir Anthony Eden notes in his memoirs.

As the junior partner in NORAD, Canada is already well aware of the difficulties inherent in this situation. The recent Bomarc episode made it clear that no government — even with the best will in the world — can ever hope to keep up for long with the shifts in Pentagon policy and U.S. inter-service rivalries.



Washington's unstinting support of Adenauer gives concern to Britain, Canada.

A country which was instrumental in bringing the first UN police force into existence and which traditionally has kept out of power politics must inevitably feel a measure of repugnance at the Pentagon's warlord complex as well as the system of U.S. military alliances.

An example in the split in thinking between Canada and the U.S. on this score was the recent incident of the Spanish bases. Many Canadians felt that West Germany had acted in a high-handed fashion in trying to secure military bases in Spain without prior consultation with her NATO allies. Nor was Canada alone in this. Together with evidence of the reappearance of ex-Nazis in positions of influence in West Germany, it created the feeling in Britain, Scandinavia and Holland as well that the U.S. has perhaps created a Frankenstein monster.

In the economic field in Europe, the sentiment of Canadian exporters is against the kind of discrimination it feared the European Common Market may practice. U.S. industry already has a considerable direct foothold in the Common Market countries, and does not share Canadian apprehensions.

Whether a trade war in Europe can be averted and whether Canadian participation in a revived Organisation for European Economic Co-operation (OEEC) can bridge the gap, time alone will tell. Clearly, though, there is no identity of Canadian and American interest here.

Similarly, it is doubtful whether Canadian interests are served by a Washington-Tokyo and Taiwan entente. While Canada's trade ties with Japan are increasing in strength, there does not seem any reason why this should take place to the exclusion of trade with the Chinese mainland.

Unlike the U.S., Canada is more alive to the economic threat of the Russian

bloc and its long-term implications. This is a result of Canada's experience of competition with Russian raw materials in some of her key export markets. On the other hand, U.S. experience is mainly that Russia is a competitor from the military and foreign aid standpoint—economically the competition is negligible.

The trend of U.S. thinking in international politics — both in the military and economic spheres — does not coincide with Canadian interests. It could not be expected to coincide: this after all is the meaning of the word "interests". Recognising the differences in these interests does not imply antagonism but is a necessary preliminary to attempting to find solutions to Canada's problems. The solutions must be found, for they are urgently required. Otherwise Canada is threatened with a diplomatic impasse.

Basis of the Budget: Free Enterprise

by E. P. Neufeld



Fleming: Hopes for orderly growth . . .

THE HONORABLE DONALD M. Fleming, Minister of Finance, delivered his third Budget Speech in the House of Commons some three weeks ago. It has been called a "do nothing" budget by the Opposition, and the adjectives "unexciting", "dull", "routine", as well as others conveying similar impressions, have been used to describe it. One may guess that it has already been largely forgotten, even by those who had awaited it with anxiety.

This is unfortunate. The Budget deserves close scrutiny. The impression should not remain that it is unimportant because it contained no important changes in tax rates and in government expenditure policies.

The Budget is important because it confirms what the principles are which guide Mr. Fleming when he is shaping the broad lines of his Budget, principles which had begun to emerge in his last year's Budget and in his numerous public addresses of recent months.

The Budget is important because when taken in conjunction with the public speeches and Annual Report of the Governor of the Bank of Canada, it suggests that there may be differences of opinion between the two not only over the problem of the trade deficit, but also over the character of our unemployment problem; and therefore over the measures which should be introduced to deal with each. Conflicts of this sort, if they exist, can hardly be regarded with equanimity, as we shall see again.

In addition, the Budget is interesting because it leaves less doubt than existed in the past that the Minister of Finance wishes to achieve his over-all objective of a . . . sustainable rate of growth in terms of employment, development of resources, and a sound dollar . . . within the framework of a relatively free enterprise system.

But let us examine first Mr. Fleming's principles of budgeting. His first formal Budget, dated June 17, 1958, gave little indication that the Minister intended to use both deficits and surpluses [i.e. cyclical budgeting], in a systematic way to counter the forces of depression and of inflation.

His statement on that and on preceding occasions that the government's desire for a balanced budget " . . . would not take precedence over the necessity to provide jobs for the unemployed . . .", and his government's move to unprecedented peace-time deficits, left little doubt that the Progressive Conservative party had moved somewhat away from the idea that budgets should always be balanced.

But it was not quite clear whether this



. . . in face of warnings from Coyne . . .

modification in view was based on the unusual political exigencies of the times or on economic conviction; and much worse, the Budget gave no indication as to what exactly the Minister intended to do when economic conditions changed. For a period, therefore, there seemed to be no visible end to deficit spending.

In the circumstances, it was not surprising that that Budget was followed by continued confusion in the bond market, and by appeals from many sources for improved leadership in government financial affairs.

Then came the Budget of April 9, 1959, which, from the viewpoint of outlining principles, was a distinct and reassuring improvement over the preceding one.

His most significant statement in that Budget was this one:

"As economic conditions change, the government's budget policy needs to change also. It must be flexible; it should be adapted to the shifting economic climate. There are times when a substan-

tial deficit is clearly the right policy; there are times when the budget should be in balance; there are times when some provision should be made for the orderly retirement of debt; and within these ranges there is always the question of degree. The problem of timing the adjustments in budgetary policy is not an easy one, and yet good timing is often of crucial importance."

In these few words the Minister indicated that he recognized the need for flexibility and the importance of timing in budget policy; and he went beyond the view that a move to a balanced budget might be sufficient, for he indicated that an over-all surplus (i.e. "orderly retirement of the public debt") would be desirable under certain economic conditions.

It is true that the latter point was blunted somewhat in subsequent debates; for when Mr. Benedickson, the Opposition financial critic, intimated that the Minister had indicated that under certain conditions a surplus might have merit, Mr. Fleming answered, "I did not say that."

However it soon became clear that the paragraph quoted above was no chance comment, for the Minister chose to repeat much of it, including the proportion on debt retirement, in a speech on October 8, 1959 in Toronto.

Then came the Budget of March 31, 1960, and this significant statement in it: . . . we are anticipating a year of solid expansion and balanced growth. The main forces of inflation are quiescent. We still have, however, some slack in certain sectors of our productive capacity, though I expect to see these diminish as the year progresses. While I look forward to the day when we can undertake a measure of orderly reduction in our public debt, present circumstances do not, in my judgment, warrant an increase in tax rates in order to expedite the retirement of debt.



. . . and the reminders of Benedickson.

In other words, Mr. Fleming decided that because some resources were still unemployed it would be *economically* inappropriate to strive for more than a balanced budget (he forecast a nominal budget surplus of \$12 million), that it would be *economically* inappropriate this year to begin a policy of surplus budgeting and debt retirement. The same reasoning can of course be applied to his decision to go no further than to cut the over-all deficit from \$900 million of last year to \$210 million this year.

Generally speaking, therefore, Mr. Fleming's budget policy for combating cyclical unemployment and inflation seems now to be based on accepted economic principles, principles which he has himself outlined specifically.

The effectiveness of fiscal policy in dealing with unemployment and inflation will depend in part on whether there is harmony between that policy and the monetary policy being followed by the Bank of Canada. The danger that disharmony between the two may develop arises from the fact that the Minister does not seem to believe that the government of the day is responsible for and, presumably, can be held responsible for monetary policy.

This point is raised because there is some indication that the Minister and the Governor differ in their interpretation of the nature of the present unemployment problem, and on how to deal with it.

While he was not too explicit on the subject, the Minister did leave the impression in his Budget that present unemployment is of the cyclical variety (and, of course, seasonal as well), for he says that "... employment will rise as the coming of spring opens up new job opportunities and as the economy continues its upward trend."

And indeed, if present unemployment is of that nature and his economic forecast is reasonable, then his present fiscal policy also seems appropriate.

But the Governor of the Bank of Canada stressed in his Annual Report and in his speech in Saskatoon on March 22 that unemployment which is owing to peculiar conditions in particular industries cannot be remedied by easier money and easy fiscal policy. An attempt to remedy it in that way would result in increased imports, he thought, and this would not help the domestic unemployment problem.

What is more, and this is where the possible disagreement with Mr. Fleming comes in, he pointed out in his Saskatoon speech when referring to economic conditions of 1959 that:

... under these conditions the presence of unemployment in particular industries and particular localities shows, not that there has been any deficiency in total demand or in the total rate of spending, or

in the availability of money and credit in the aggregate, but that total demand and total spending has been directed, to a greater degree than is desirable in the general interests of the national economy, towards the importation of goods and services produced outside Canada ... What is required is rather a reduction in total spending, and re-orientation of part of our total spending towards the purchase of efficiently produced goods and services of domestic origin in place of imports ...

So while Mr. Fleming seems to believe that the unemployment problem is essentially a cyclical one, and that therefore strong fiscal restraint is not required, Mr. Coyne seems to think that to an important degree it is a "structural" problem, a problem of particular sectors, which cannot be solved by either the Minister's fiscal policy or his own monetary policy.

Indeed, Mr. Coyne goes further, for he seems to suggest that because of the large trade deficit (a sign in his view that spending in the aggregate has already been excessive) there should be a further reduction in spending.

Are the Minister and the Governor therefore not in basic disagreement over the problem of unemployment? May we expect to see monetary policy attempt to do one thing and fiscal policy the opposite? Since the issue is a rather important one, it would be reassuring to have it clarified.

There seems also to be a difference of view between the Minister of Finance and the Governor as to the dangers inherent in our trade deficit, and as to the need for special measures to cope with.

The Minister believes, it appears, that our large imports of capital and commodities have promoted the efficiency and productivity of our economy, that we are capable of carrying our foreign debt burden, and that our reliance on foreign capital has declined and will continue to decline in future.

The Governor, on the other hand, does not think that we have been getting an increase in production commensurate with the high rate of capital spending and foreign borrowing of past years, if we interpret his Winnipeg speech of January 18 correctly.

Nor does he leave the impression that he thinks the trade gap will right itself in an orderly fashion through adjustments in the market. That is, he does not appear to believe that the mechanism of the exchange rate will bring about an orderly re-adjustment in our exports and imports when such a re-adjustment is called for. He does leave the impression that special measures are required to deal with the problem, although he does not specify what measures should be used.

Now Mr. Fleming, in his Budget, lists the various types of direct controls which

might be imposed to cope with the problem but says pointedly that these "... may be justifiable in the midst of a national crisis. In peace and prosperity, in a free society, they are not warranted."

So again we are left with the feeling that our money manager and our manager of the national finances are in basic disagreement over a vital problem, and over how to deal with it. Again the possibility arises that policy actions of the Bank of Canada may conflict with the policy actions of the Department of Finance because of such a disagreement.

It is not possible to outline here the merits for and against the living-beyond-our-means argument. But Mr. Fleming has shown clearly in his Budget that there are two sides to that issue. Equally important, he has shown that any judgment as to the need for direct action cannot and should not be divorced from a consideration of the effects which direct interference would have on our economic system based essentially on freedom of the individual.

This emphasis is welcome. After all, it is of more than casual interest for us to know what sort of economic system our authorities envisage for us.

And this leads to a final interesting point about the Budget. Mr. Fleming does seem to believe that his economic policy must, by and large, be in harmony with the concept of a system of free enterprise. This, as we have seen, influenced him in deciding against direct controls for meeting the trade gap, although there were other considerations as well.

It is evident when he repeats his view that the exchange rate should not be lowered through any "... arbitrary and artificial attempt by the Government to work against basic economic forces."

Finally a similar view on free enterprise may have influenced him when he decided that legislation was not the best method to influence the operations of foreign owned and foreign controlled companies in Canada. It may be noted in passing that the Governor of the Bank of Canada chose to remind us in his last Annual Report that governments can take special measures, whether financial or other, "... to mitigate the handicaps of Canadian enterprises in competing against foreign enterprises which operate through subsidiaries in Canada or send their goods into Canada. ..."

In conclusion, the Budget reveals Mr. Fleming as striving toward orderly and sustainable economic growth by following the principles of cyclical budgeting, and in a way which is basically in harmony with the concept of a free economy. But on specific issues it also reveals a disturbing difference of opinion between himself and the Governor of the Bank of Canada.

How to Cut the Premium on Canada's Dollar

by Jack Miller

EARLY THIS YEAR Finance Minister Fleming rejected out of hand any attempt to reduce the premium on the Canadian dollar. He said that although the premium was a grievous burden to Canada's export trade and brought with it a host of other difficulties, there was just no way to get around it. Specifically, he listed five methods which technically, he said, could work. He then dismissed all five for various reasons.

In doing so he may have acted too hastily. For although four of the five methods he listed are indeed impracticable, the fifth deserves study. It does show a way out.

The five techniques listed by Fleming were:

1. **Print more money.** This would discourage foreign investment by undermining confidence in the value of the Canadian dollar and by, in fact, decreasing the purchasing power of the dollar.

2. **Buy more from the U.S.** This would increase the supply of Canadian dollars available for U.S. investment in Canada.

Thus, with a greater supply of Canadian currency available, competition would ease and the premium—which results from the competition for the available supply—would fall.

3. **Reimpose foreign exchange controls.** This would restrict the amount of borrowing by Canadians in the U.S. market and consequently reduce the demand for Canadian currency.

4. **Increase the price of gold.** This would have no effect, however, as long as the Canadian dollar was allowed to float.

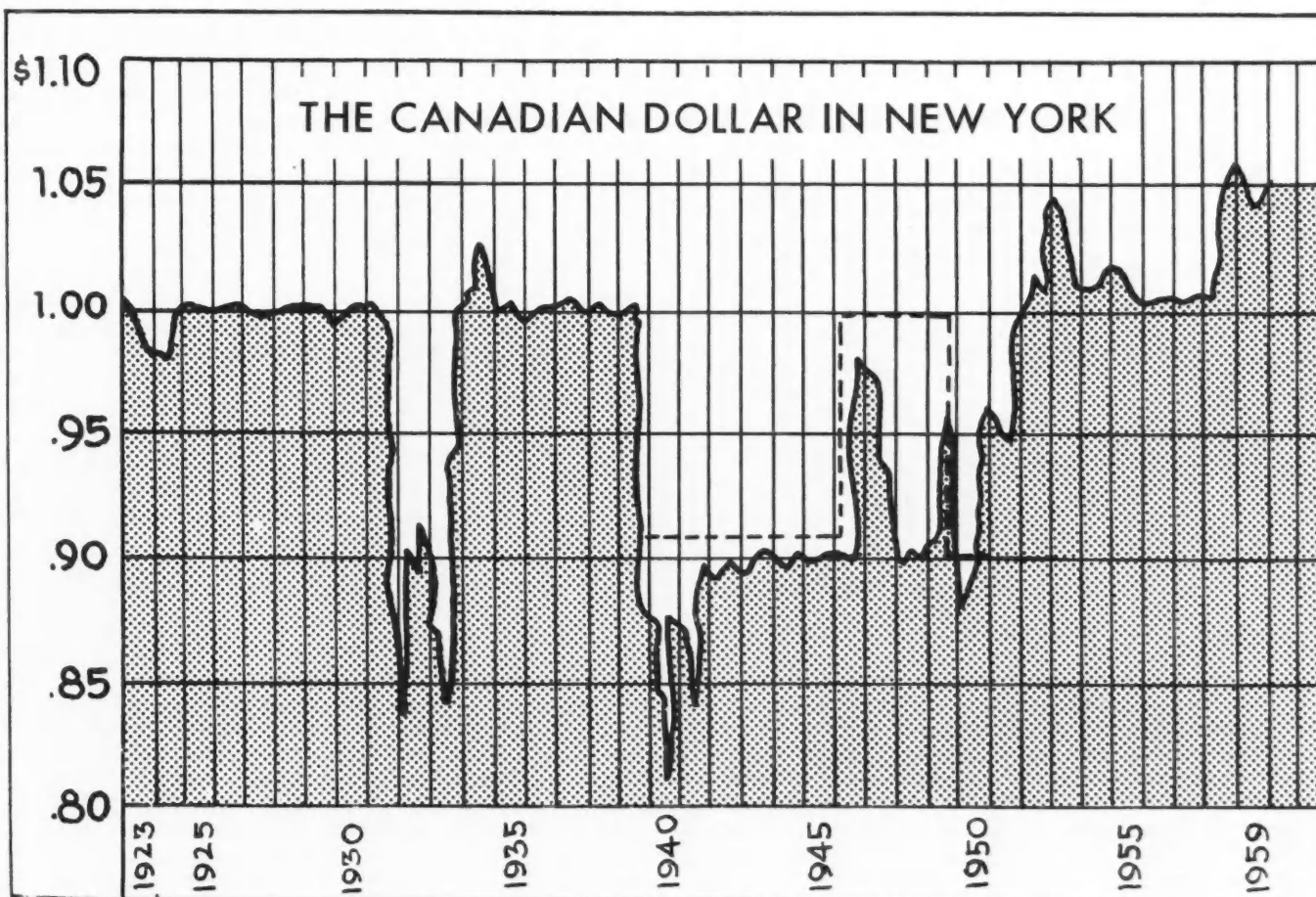
5. **Use Canadian dollars to buy U.S. dollars and thus raise the value of the U.S. dollar.**

The first four methods are manifestly unacceptable. The fifth, however, has merit.

The finance minister's reason for rejecting the possibility of buying U.S. dollars to wipe out the premium was that such an undertaking would require too much money. Let us consider the issues involved in a more limited objective: reducing the premium.

It is true that such a policy would be to some extent inflationary, at least initially. But the long-term advantages in promoting a stable dollar easily outweigh this disadvantage. Consider our reserves of U.S. dollars and gold—currently \$1.9 billion—in relation to our needs. (These are the reserves which might be needed in an emergency to pay for imports or to cover if foreign investors decided to sell out their Canadian holdings.) As the box on page 19 shows, our position is deteriorating rapidly. The reserves are even less comforting in terms of the current account trading balance.

Not only is our net international indebtedness growing but our gold and exchange reserves are becoming less able to withstand any calling back of these loans and investments. Furthermore, our exports which are our only way of earning money to pay back our indebtedness are becoming less able to do so. It's very difficult for Canada to increase its exports. It's not as difficult for Canada to stop or mitigate the relative deteriora-



Fluctuations of the Canadian Dollar. Dotted line indicates official rate pegged by Canadian Government.

tion in its gold and exchange reserves. This can be done by stopping or reducing the buildup of our net international indebtedness on the one hand or by buying U.S. dollars on the other hand or a combination of both.

Last year, provinces, municipalities and corporations issued a net additional \$372 million in bonds redeemable in foreign currency (mostly U.S. dollars) without having to obtain approval from the Canadian government which may some day be called upon to find the foreign exchange to redeem them. This would seem to be one obvious area for reducing the buildup of our net international indebtedness.

But there is a practical political difficulty in expecting the Canadian government to curb this practice. The provinces and municipalities want more money from the federal treasury and are outspoken about it. If the New York market were closed to them by federal restriction, it would not be difficult to imagine the cries of protest for, even if the same amount of money could be raised on the Canadian bond market, the interest rate cost would be appreciably higher. So, although it would almost certainly be economically wise for Canada to take this step, it is easy to understand that it is not nearly as certain that it would

every dollar of borrowing that would be thus diverted to the Canadian market from the New York market, there would be one less U.S. dollar bidding up the price of the Canadian dollar. To obtain the conditions needed to obtain public approval of the curtailment of foreign borrowing by provinces and municipalities, it may be necessary to promise them that the Canadian market for their bond issues will be as hospitable as the New York market. The compensating adjustments could be made in the federal budget and in monetary policy.

Pending public opinion approval to curtail foreign borrowing by provinces and municipalities, the government could begin to buy one U.S. dollar for every U.S. dollar borrowed by a province or municipality. Thus Canada's exchange fund would gain one dollar of short-term U.S. assets for every one dollar of long-term U.S. liability incurred by the provinces and municipalities. This would neutralize the effect of the borrowed U.S. dollar bidding up the price of the Canadian dollar as happens now.

This very technique of acquiring U.S. dollar short-term assets, to at least balance long-term U.S. dollar liabilities, has been part of western Europe's policy of financial and economic recovery as the tabulation below shows.

International Investment Position of the U.S. by Area, Preliminary as of end of Year 1958

(Billions of U.S. dollars)

U.S. private and government investments abroad	Western Europe	Canada
Long term	15.788 (of which only 1.218 is in the easier to repatriate foreign dollar securities)	13.842 (of which 4.568 is in the easier to repatriate foreign dollar securities)
Short term	1.949	.441
	<u>17.737</u>	<u>14.253</u>
Foreign private and government investments in the U.S.		
Long term	10.872	3.195
Short term	8.353	2.149
	<u>19.225</u>	<u>5.344</u>

(Survey of current business, August, 1959)

be politically wise. It is no use expecting governmental authorities to adopt this kind of measure when the Canadian people see no crisis or need for it.

But if the Canadian government cannot at this moment restrict provincial and municipal bond issues in the New York market, perhaps they can apply the restriction to Canadian corporations. For

We must realize too that now that hot money has again begun roving the world's financial capitals searching for the highest short-term interest rate (and in response to the world's hopes and fears), Canada has to be prepared for quick capital outflows. There are about \$800 million of Canadian treasury bills and about \$1.5 billion of other short-term Government

of Canada securities and probably several hundred million dollars of finance company notes all in the hands of the general public. Thus it is possible that \$1.5 billion in hot money could accumulate in the country. If it did and then flowed out again, it could make the country's \$1.9 billion of reserves look meagre.

How would such exchange fund intervention and curtailment of foreign borrowing by corporations have affected the exchange rate pattern in 1959? It's hard, probably impossible, to say. But we may get a rough idea by comparing the actual forces on the exchange rate in that year with what they might have been.

In 1959 the exchange rate for the Canadian dollar reached \$1.05 in New York. This five-cent premium resulted from the equilibrium of supply and demand. On the demand side are listed exports from Canada, interest dividends and other invisible receipts from abroad, foreign direct investment in Canada, foreign net capital imports into Canada of various kinds.

On the supply side are listed imports into Canada, interest, dividends and other invisible payments abroad, increase in exchange fund holdings and foreign exchange.

If, then, the procedure outlined had been followed last year, the increased supply of Canadian dollars and the reduced demand could have permitted an exchange premium of only about three cents.

Around the new value of the Canadian dollar, the opposing forces would form a new equilibrium in which the country's exports and receipts from invisibles would be expected to be a little larger than before (about \$65 million per 1% reduction in the value of the Canadian dollar assuming volume remains constant) and the country's imports and payments for invisibles would be expected to be about the same as before. The country's foreign exchange fund holdings would be expected to be up by about \$350 million. Thus, as the Canadian dollar's value is reduced by the proposed intervention, the current account deficit would be expected to be reduced by about \$65 million for each 1% of reduction in the value of the Canadian dollar.

The suggestion is, then, that the intervention should not be entered into for the mere purpose of returning the Canadian dollar all the way to parity or considered a failure if it fails to do so. Let the intervention help us build up our foreign exchange reserves and let us take whatever exchange rate improvement ensues as a desirable by-product.

It would be the Government of Canada, not the Bank of Canada, which would have to make the decision since the exchange reserves are owned by the Government. The Bank of Canada would doubtless be called on to play some part since for

GROSS OFFICIAL GOLD AND EXCHANGE RESERVES

(in relation to our debts to foreign countries)

Billions of Canadian Dollars

	Total Foreign Claims on Canada	Total Canadian Claims on Foreigners	Net Canadian International Indebtedness	Can. Official gold and exchange reserves as a per cent of net Can. International Indebtedness	Annual exports as a per cent of net Can. International Indebtedness
1926.....	6.5	1	5.5	—*	23%
1939.....	7.4	1.9	5.5	5.3%	17%
1948.....	8.8	4.9	3.9	26%	77%
1956.....	17.7	7.7	10.0	19.5%	48.4%
1959.....	24.0	8.6	15.4	12.3%	33.4%

* This date preceded the establishment of the Bank of Canada. Gold and foreign reserves were not then centrally owned

every U.S. dollar the exchange fund buys the Government would have to pay out approximately one Canadian dollar. These Canadian dollars would almost certainly have to be borrowed and we must face the unpleasant fact that the scheme would be to some extent inflationary. Higher than otherwise prevailing interest rates would be likely. A lower value for the Canadian dollar would tend to stimulate export earnings and retard physical imports.

This is a propitious time to begin. The recent drop of short-term interest rates in Canada gives our rates room to move upwards if necessary. Perhaps if we had begun earlier, the Canadian Government might not have had to introduce as much budgetary expansion as they felt necessary in the recent recession. Perhaps the inflation disadvantage of the intervention is exaggerated, if

British experience is any guide. In the run on sterling in the autumn of 1959, the British authorities took several measures including a prohibition of a rise in bank loans. Despite this, bank deposits continued to go up for many weeks, an inflation sign, as the Government borrowed sterling with which to buy U.S. dollars to enlarge its exchange reserves. Inflationary conditions were later seen to have ended at about this time.

The value of the Canadian dollar in New York has had its sinking spells as well as its rises (see chart). We want to avoid these sinking spells if we can because they mean import controls, restrictions on foreign travel, foreign currency controls and trade upsets. With the large amounts of fixed obligations payable in foreign exchange, a sinking spell would mean our debt load would be appreciably heavier and our stan-

dard of living would have to drop. With heavier exchange reserves however, we may be able to move toward a stable exchange rate around par with some hope of holding it. Moreover, the maintenance of a stable exchange rate is one of the hallmarks of respectability in international affairs and is considered a duty to one's trading partners.

The proposals made here are not intended to be an entire solution to the country's economic problems, just a feasible beginning. It may be that continued world-wide economic expansion will soon lift economic activity here and alleviate temporarily the unsatisfactory financial position. Such conditions would enable us to begin to make the needed adjustments with less difficulty than otherwise. The danger is that such conditions will be cited as an excuse for further postponement in making them.

GROSS OFFICIAL GOLD AND EXCHANGE RESERVES

(as a percent of annual imports by country)

	1937	1948	1950	1953	1955	1957	1959	
CANADA.....	21%	33%	55%	38%	37%	29%	29%	(running an annual deficit on current account of 77% of gross official gold and exchange reserves)
U.S.....	358%	303%	238%	187%	176%	161%	127%	(running an annual surplus on current account of 8% of gross official gold and exchange reserves)
U.K.....	81%	24%	50%	27%	20%	21%	27%	(running an annual surplus on current account of 15% of gross official gold and exchange reserves)
GERMANY.....	—	—	10%	52%	53%	75%	69%	(running an annual surplus on current account of 34% of gross official gold and exchange reserves)

(Sources: Fed. Reserve Bulletin, Feb. 1960; Canada Year Book 1927-8; Survey of Current Business, March, 1960; Bk. Canada annual report, 1959; Int. Monetary Fund; Jan. 1960, report Deutsche Bundesbank.)



From a cramped office in downtown Montreal, Hilton Hotels' head chef Hans Schaerer plans meals for 60,000 people a day in cities in both hemispheres.

World-Wide Way to the Stomach

by Robert Jamieson

FEEDING PEOPLE is big business. Some outfits feed thousands across a nation with standardized meals devised in a central bureau. Others are run by artist-chefs who dream up a menu for a few hundred customers, maybe only a few score, in highly individualistic little eateries. They both make profits. That's what they are in business for.

But one of the trickiest operations of all is that of the man who has to lay down food policy for a chain of international hotels. It gets pretty near needing a digital computer when one man has to plan the feeding of 60,000 people a day in 35 highly individual restaurants in 10 hotels in nine countries scattered from the Pacific to the Middle East, taking in North America and Europe on the way. Knowing his way about dollars and cents and pesos and kroner and ounces and milligrammes is enough to test any man's brain (when he hasn't got a computer) without allowing for the nervous strain of maintaining a constant creativeness and invention which will tickle the palates of rich and urbane clients in Cairo, Istanbul, Berlin, Panama, Montreal, Acapulco and Havana.

This is in fact the picture of one man's job. He sits in a 10' by 10' office in downtown Montreal dreaming up a menu for a hotel opening on the Nile—or in Denver, Colorado where he is as this article goes to press—and doubles as executive chef at the CNR-Hilton hotel, the Queen Elizabeth.

Swiss-born Hans (John) Schaerer, 38, is one of the czars of international chef-dom and guides the lesser czars in ten of the world's great hotels (soon the total will be 15). He concocts Spanish versions of Canadian dishes for his minions in Madrid, and Canadian versions of Spanish dishes for menus in Montreal.

Schaerer came to Canada as an immigrant chef in 1952, worked through a succession of jobs in Lake Louise, Calgary, and Fort Worth, Texas, until he hit the big time with the Caribe Hilton in Puerto Rico.

Now he is back in Canada, as executive chef of Hilton International. He chose Montreal as his point of operations, he says, because it's close to his boss, Food and Beverage Director Charles Bell, who works from an office in the basement of the Waldorf Astoria in New

York. They call each other on the telephone daily and Schaerer commutes frequently.

Outwardly no typical chef—"he's a real nice guy, not like most of the big chefs" a European-trained hotelman told me—John claims he sticks to very orthodox principles taught him by his father, C  zar, onetime top chef at Berne's Bellevue Palace. "I just add a touch of fantasy I've picked up in different parts of the world," he says. Result: a pretty inspired sort of orthodoxy.

"Father wouldn't have approved of that" means something is taboo—he even took his father's advice about getting married. "Be secure first" C  zar told his son. Schaerer hadn't felt very secure when his first Canadian job in Lake Louise petered out after a few months so he waited until last year, married TV and PR girl Camelia Sepulbeta from Puerto Rico.

"Happiness flows over from the home to your work, and from your work to the home, and for happiness you need security" John says, justifying his father's caution.

What C  zar hadn't wanted his son to do was become a chef. John himself

wanted an open air job—he got one in the Swiss Army as a bombardier in 1940 until someone found he could cook and pushed him into the unit kitchen—but back in 1938 his schoolteacher thought only of unemployment and told him to take a job where he had pull. So in he went as apprentice to his father.

This was the usual strict discipline of the European kitchen and his father did not favor him. He got no pay—"Some hotels even charged you for being an apprentice"—and worked at every station in the kitchen: vegetables, soups, sauces, roasts and the rest of them for long hours, with accountancy school on the side.

He wanted to travel and was just going to a job in Egypt when war hit Switzerland. But he was glad to be there. "The whole of Europe was on fire and here was a little country where still people could come and meet freely."

He couldn't do what he'd wanted to do, travel, so he switched to a job at the colossal *Buffet de la Gare* at Zurich which had 400 employees. He doesn't know how many spies, secret agents, and escapees he fed there in the war years, but every second person seemed to be one or the other he says.

The travel started in 1949 when he went to the Savoy Hotel in London—the great edifice of hotel and theatre built on profits from the Gilbert and Sullivan operas. Head tournant—or swing man—he stood in for most of the section chiefs. He remembers the difficulties there with wartime shortages continuing. Lamb and beef were rare. "But we had wonderful fish," he says. And for the rest the poor rich people of London had to get by on pheasant and partridge, or grouse or quail. One thing Schaerer learned in that just-postwar era in London: to save every scrap of fat; it was pretty short then.

He recalls from that time the trips he made to Lord Derby's seat at Knowsley Hall, near Liverpool. Derby liked to

have a chef from the Savoy to help out in the shooting season. Schaerer was impressed by the great hall, set in the midst of a park which extended for eleven miles around it. There were 55 employees in the house even after the war had changed the lives of the British aristocracy. Some rooms were kept for important guests, always ready and used by no one else. There was one in constant readiness for the Queen, for instance, and another for Churchill.

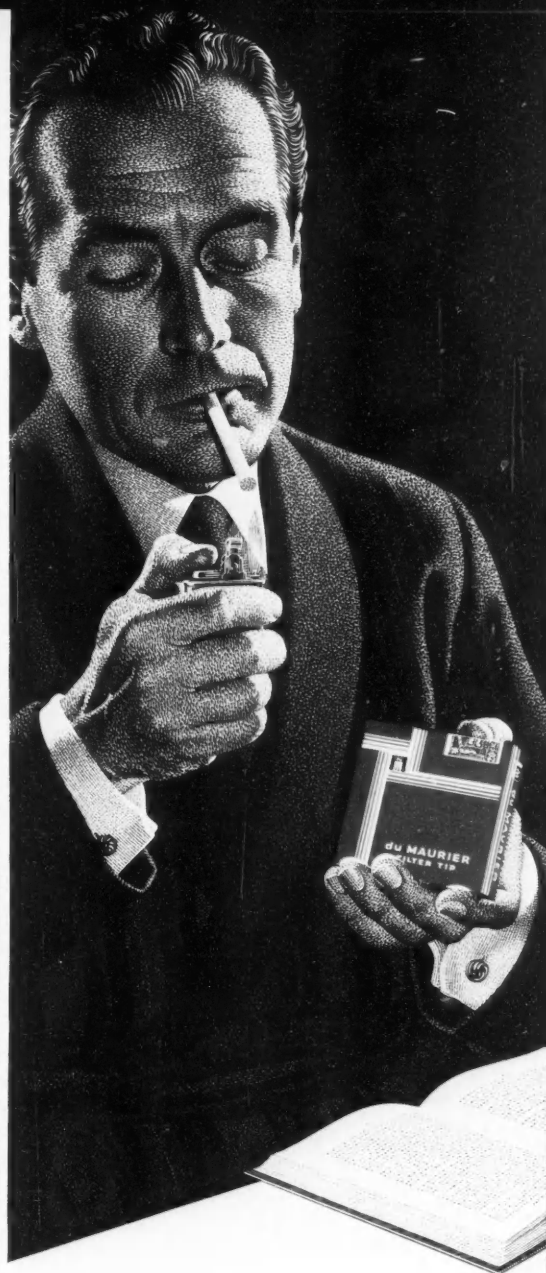
Lord Derby had his own whims about dishes. Mostly they were elaborate. But one of his favorites was a simple thing of Irish stew, which included, as a little extra, stewed oysters. Mostly he had about 20 guests. Breakfasts were enormous, lunch was taken out to the shooting boxes, dinners lasted two to three hours. Derby liked Schaerer's fantasies.

Schaerer went back to work with his father in Berne, but he soon felt hedged in. When he saw an advertisement for chefs in Canada, he took off.

The travels really started when he joined the Hilton group and he's been to every one of the ten—has organized openings for most of them. Havana, March 1958, and Berlin November 1958; Cairo 1959. He put in some time at Istanbul to change the menus, dropped in on Athens, Rome and Switzerland on the way back. Puts out from Montreal when he's needed, with a suitcase. Leaves his deputy Rene Rastello, from Panama—a top chef in his own right—in charge.

If you try to talk food philosophy with Schaerer, he moves his big body about awkwardly, squirms a bit and says, "Well I moved away a bit from the classical for a time, but I always came back to my father's principles. And they're not only his, of course, they belong to the world of cooking."

"Only," he admits, "I add a little bit of fantasy. I get a bit more fantasy every time I travel and combine things from



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One of Schaerer's favorite jobs is planning menus for Beaver Club banquets.

one country and another."

He had in his hand a beautiful document, a vellum menu from the opening of the Berlin Hilton. One dish intrigued me: *Drei Filets Mignon Patrizierat*. This was three filets, one of beef, one of veal and one of pork. The beef had a garnish of marrow, the veal creamed wild mushrooms and the pork pineapple. It was served with a *bouquetière* of four or five vegetables, and rissole potatoes.

"Yes, this shows what I mean by sticking to classical principles," he explained. "You see the pineapple is on the pork. You can serve any sweet fruit with pork, but never with veal or beef. There are just some things that go with certain things and some things that don't. And the *bouquetière* of vegetables gives you something else you need in a dish: presentation, three or four colours. Without three or four colors it is a monotony."

Color and presentation are so important, he says, that when he prepares a new dish to recommend to his chefs in, say, Istanbul and Berlin, he not only writes reams of notes about it, quantities, prices and so on, but has it photographed in full color. When he gets the experimental kitchen he's planning, he will have his own color camera apparatus.

One day lately, the Queen Elizabeth had on its menus a dish that came from the Madrid hotel, while the Madrid hotel was running a maple syrup-based dish from Canada.

Here is the Spanish contribution to this international culinary exchange: chilled gaspacho soup. "Everything in it is raw. Nothing cooked at all. Take onions, garlic, pimento, cucumber, tomato. Marinate them in Spanish oil for half a day. Grind them altogether in a blender; add a little—a very little—mayonnaise sauce; add cream, salt and pepper. Serve very cold. For the last touch—it gives color and atmosphere—offer four garnishes on a platter from which the guest can choose—croutons, pimento, cucumber, diced tomato."

Another bit of originality came up in a talk about snails. "Some people get into difficulties with snails, getting them out of the shells, and they feel maybe a little bit odd about taking them and seeing the shells. They're a little bit afraid of them. So I helped them a little. I simply serve the snails in the scooped-out heads of mushrooms—of the right shape, of course—with a little garlic butter."

The *Filet Mignon Soufflé Champs Elysées* seemed interesting. What kind of classicism, with or without fantasy, produced a soufflé out of a steak?

"Well," said the chef in the grey flannel suit, "you take a piece of filet, sauté it on one side, turn it up. On the sautéed side place a slice of foie gras. Add a generous cover of mousse of ground breast of

chicken and cream purée. Bake in oven. The raw side of the filet is now underneath, remember. The heat will pass through and melt the foie gras, which soaks the filet, and the purée will rise and become golden brown. Serve with sauce Périgourdine, which is a demi-glace brown sauce with chopped truffles."

He enjoys making the banquets for the Beaver Club, reincarnations of the old fur traders' club which meets in Montreal and has such bigwigs as CNR's Donald Gordon gallivanting about in pasted-on sidewhiskers and late 18th century dress. He served them at one of their meetings with beaver-tail soup, (a little like clear oxtail, he explains) with tiny individual pies of beaver meat; Arctic char *Voyageur* (char and chopped tarragon leaf mixed with mushrooms, butter and lemon juice); crêpe pancake filled with diced Quebec apples mixed with raisins and maple syrup, brandy sauce and flambé.

"Yes, even the crêpe was orthodox, in line, but with a little bit of fantasy added," John says.

Canadians, he says, are very receptive to continental cooking. The Number Two seller on the restaurant menu is always the dish he puts in a framed section and calls the Continental Special. "Always they like this one," he says. Here are some of the recent favorites in the "Continental Special" box:

Bouillabaisse A La Marseillaise: Rich French fish soup with fresh lobster, halibut, clams and shrimps. Vegetables, vermicelli, fresh croutons.

Pot au Feu, Henri Quatre: Boiled beef, chicken, sausage and marrow bone in its rich clear broth with fresh vegetables and steamed potatoes, cranberries, Parmesan cheese, croutons.

Stuffed Pork Chop, Pappagallo: filled with ham and Swiss cheese, accompanied by spaghetti Napolitaine, buttered French green beans, salad.

Paupiettes of Dover Sole, Boieldieu: Filet of Dover sole stuffed with purée of fish and diced shrimps, topped with delicious sauce Nantua, parsley potatoes, Belgian endives meunière.

Noisettes of Young Lamb Sauté, Bonne Bouche: with artichoke, fresh mushrooms, spring onions, lardons and Noisette potatoes, mint sauce.

All very orthodox in his book are these dishes that Canadians like.

"But you mentioned, chef," I reminded him, "that the Continental Special was your second best seller. What is the best seller?"

"Oh that. It's roast ribs of beef. You just have to have them every day. And no fantasy allowed. Customers know just how they like them, and if they vary one little bit . . . yes, we sell more orders of roast ribs of beef than of anything else, all the time, summer and winter."



SINCE THE WORLD'S FIRST hockey championship competition in 1920, outstanding Canadian teams, by their exciting play, have helped to raise the standards of competition around the world.

Seagram tells the World about Canada

The advertisement on the facing page is one of a series now being published by The House of Seagram in magazines circulating throughout the world. From these Seagram advertisements the people of many lands—in Latin America, Asia, Europe and Africa—come to know Canada better, her wealth of resources, her distinctively Canadian sports such as hockey and her renowned cultural activities.

Over the years, through its advertising abroad, The House of Seagram has continually told the people of other lands about our country and her many distinctively Canadian customs, achievements and products.

The House of Seagram has always believed that, in addition to promoting its own products in foreign markets, promoting the reputation abroad of all Canadian products and accomplishments is in the best interests of every Canadian.

Through these full-colour world-wide advertising campaigns, Seagram helps unfold the story of the Canadian people and their use of the rich natural resources of this favoured land . . . an inspiring narrative of our great and growing nation.

LORNE BOUCHARD, A.R.C.A.

Born and educated in Montreal, where he still resides, this artist is noted for his extensive sketching excursions all over the Province of Quebec. He is represented in collections in Canada, the United States, Mexico, England, South America and India.



For reprints of this painting, suitable for framing, write: The House of Seagram, 100 Peel St., Montreal, Quebec.

Canada is Famous for its Hockey

CANADA'S NATIONAL SPORT is the fastest game in the world, played by more than 100,000 Canadians in organized leagues and eagerly followed by millions from coast to coast.



Painted for the Seagram Collection by Lorne Bouchard, A.R.C.A.

Canada is Famous for Seagram's V.O.

Honoured the world over for its smoothness,
light-body and delicate bouquet, Seagram's V.O.

is the lightest, cleanest-tasting whisky you ever enjoyed.

That's why: *More people throughout the world buy Seagram's V.O.*

than any other whisky exported from any country.

Say Seagram's and be Sure

MORE THAN 100 YEARS OF KNOWING HOW



Puzzler

by J. A. H. Hunter

IT WAS A conversation piece from the day Ian brought it back from Kalota. Seemingly a small flat box, with a square top, it lacked apparent means of opening and had no obvious use.

"Perfectly rectangular," I commented the first time I saw the curio. "And the wee square of mosaic. What is it?"

All six sides were indeed faced with tiny squares of lustrous metal, identical in size and of various coppery shades. Ian fingered it reverently, but my question remained unanswered.

Then today, when I looked in on him, it was quite a shock to find that he had stripped off all those little squares. There they lay stacked carefully on the table, close beside the chipped remains of what was obviously an unromantic and very worm-eaten hunk of wood!

"Vandal," I cried.

But Ian shook his head. "I just had to satisfy my curiosity," he said. "They'll be ideal for the top of a tray I plan to

make. Four hundred altogether, and not a single one damaged."

The mystery remained unsolved. But what were the proportions of that "Box"?
Answer on page 44. (125)

Chess

by D. M. LeDain

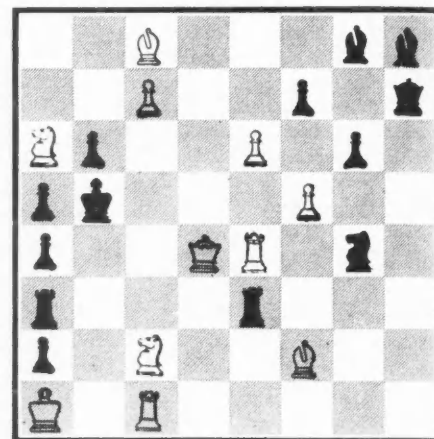
SO CHESS-PLAY and chess problems are worlds apart? Strategically, maybe, but tactically, or mechanically, they can have some ideas in common. When it does happen gamewise you hear the admiring tribute — "A problem-like move!" Here is an effective use of the "interference unpin" in a game. In problem lore this is defined as the release of a piece from a state of pin by an interference by either player on the line of pin.

White: Krogus, Black: Borisenko (USSR Teams Championship, 1953) 1.P-K4, P-QB4; 2.Kt-KB3, P-Q3; 3.P-Q4, PxP; 4.Kt-P, Kt-KB3; 5.Kt-QB3, P-QR3; 6.B-Kt5, QKt-Q2; 7.Q-B3, Q-R4; 8.B-Q2, Q-B2; 9.Castles, P-KKt3; 10.P-KR4, B-Kt2; 11.P-R5!; Kt-RP; 12.Kt-Q5, Q-Q1; 13.Kt-

B5!; PxKt; 14.RxKt, PxP; 15.QxP, Kt-B4; 16.Q-KR4, B-K3; 17.B-R5!; P-Kt3; 18.BxKtP, BxPch; 19.KxB, R-QKt; 20.B Kt5ch!! (interference unpin wins the Q) Resigns.

Solution of Problem No. 242 (Ovchinnikov).
Key, 1.Kt-B5.

Problem No. 243, by J. E. Funk.
White mates in two. (11 + 13)



Cross-Questioning

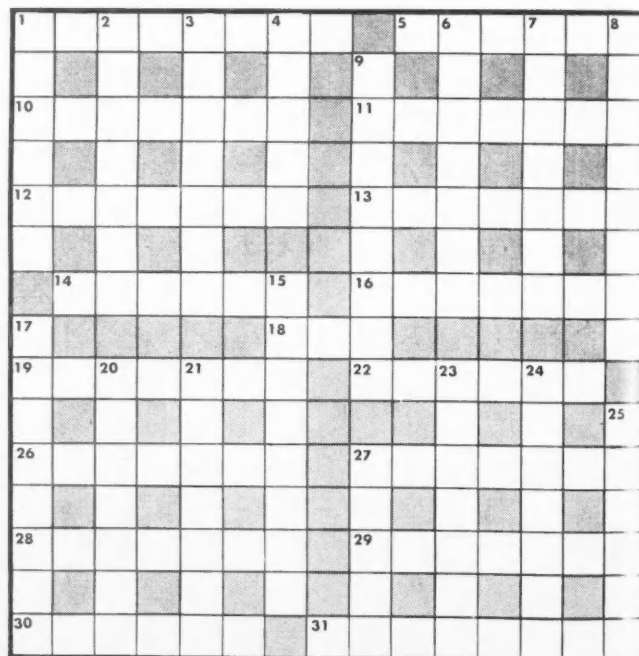
by Louis and Dorothy Crerar

ACROSS

- 1 A lad never smelt so fragrant. (8)
- 5 Melpomene was this muse. (6)
- 10 Wakened with an upset sour inside. (7)
- 11 I'm going back to the interior of Australia for a wind up. (7)
- 12 A thousand took a degree in return for this. (7)
- 13 Their lives often hang by a thread. (7)
- 14 "The man who came to dinner" did, and his hunger also. (6)
- 16 Changes made in it are according to Einstein? (7)
- 18 Now it's over you can have it! (3)
- 19, 22 The fruit of peaceful relations in U.S.A. (7,6)
- 26 The babes in the wood may be its progeny. (7)
- 27 Delivery girl? (7)
- 28 Me eat it? No, eat at it. (7)
- 29 Twist in twist. (7)
- 30 Portia's counterfeit was concealed in one. (6)
- 31 Did these horses bill the War Office? (8)

DOWN

- 1 Lazy baker? (6)
- 2 Love 29 without mental faculties? The outcome won't be peaceful. (7)
- 3 It smells jolly, and so it should! (7)
- 4 "Our revels now are . . .", said Prospero. (5)
- 6 Being so, I've taken a rest. (7)
- 7 The industry of the chorus of "The Pyjama Game"! (7)
- 8 Since the advent of oil, the loss in coal appears to be so. (8)
- 9 Gas mains needing repair. (8)
- 15 Though no tot, he totters, and is strangely odd in the head. (8)
- 17 The enjoyment of radio fans, even including annoying interference? (8)
- 20 1066 and all those. (7)
- 21 An opening for ice I construct. (7)
- 23 But does he also listen to your accounts? (7)
- 24 Having no alternative, 21 took an editor into the building. (7)
- 25 One of Omar's requirements for Paradise. (6)
- 27 I left a 1938 conference city to become a conductor. (5)



Solution to last puzzle

ACROSS

- 1 The Seven Seas
- 10 Ingrown
- 11 Rapture
- 12 See 28
- 13 Biscay
- 14 Dhow
- 15 Tidal wave
- 18 Sissy
- 20 Posts
- 21 Hard labor
- 23 Robe

DOWN

- 25 Sea-cow
- 28, 12 All wet
- 30 Teacher
- 31 Nattier
- 32 Depth charges
- 2 High tides
- 3 Snowballs
- 4 Venus
- 5 Norma
- 6 Espy
- 7 South

- 8 Nitwit
- 9 Seaway
- 16 Ash
- 17 Ear
- 18 Salt water
- 19 Submarine
- 20 Pirate
- 22 Rulers
- 24, 29 Board shi
- 26 Earth
- 27 Conch
- 29 See 24 (492)

London Letter

by Beverley Nichols

Red Lights and Lord High Dodos

THE MOST SUCCESSFUL musical now running in London is called *'Fings Ain't What They Used to Be*. It is packed out every night, and extra police are allocated to deal with the traffic problems outside the Garrick Theatre.

The first hero of this dainty piece is a pimp who lives on the earnings of two prostitutes, one blonde, one brunette, both monstrously developed in the chest. The second hero is an ex-gangster, garishly slashed across the face. The third is a homosexual interior decorator, who evokes riotous applause when he is chased round the stage by his mates, to the accompaniment of dialogue which is hardly suited to these chaste pages. When I say "heroes" I mean "heroes". They are given all the lines, all the laughs, and the London public loves it.

There are only two villains in the story. One . . . need I say it? . . . is a Roman Catholic priest who, of course, is in a permanent state of intoxication, and who accepts bribes from the aforesaid pimp. The other . . . need I say it? . . . is a British policeman. The church . . . the law . . . what could be lower? Let's spit on 'em!

As a final attraction, this little story is set against a background of unmitigated squalor, in beige and grey and smudge brown, and most of the characters are dressed in dirty jeans or crumpled sweaters. It is accompanied by "music" which sounds like a series of dirges for Picasso's great-aunt, if he ever had one.

I am not writing in a frenzy of moral indignation but as a conscientious reporter of the social scene. As such, I think we may now record as a historical fact that the British censorship is a thing of the past and that the Lord High Chamberlain—whose activities evoked some of Spaw's most brilliant invective—may henceforth be referred to as the Lord High Dodo. If he can bring himself to pass *'Fings Ain't What They Used to Be* he can pass anything.

All this has happened very quickly, in the last two or three years, which is no great period in the long history of the British theatre. It is only a couple of years ago that we were all furtively buying tickets, at five shillings apiece, in order that we might become members of a "club" because the Censor would not

allow us to witness the play in an ordinary theatre. Why? Because the play contained a reference to homosexuality. And though Londoners could take a lot of things—fire and slaughter and near-starvation—it was too much to expect them to take anything so terrible as *that*!

The impertinent folly of this official decision has had its inevitable result. The pendulum has swung violently in the other direction. And now we have reached a pitch when one longs for a play where—by some strange freak of nature—the boys actually fall in love with the girls instead of with each other, and where—owing to an exceptionally Spartan upbringing—the boys sometimes shave and the girls occasionally wash. A play in which a minister of the church is not, ipso facto, a drunken sot, and in which fidelity to the marriage vows is not depicted as a form of bourgeois stupidity.

Meanwhile the Soho scene becomes sleazier and sleazier every night, as the direct result of the Street Offences Act (1959), which in its turn was the direct result of the famous Wolfenden report. The purpose of the act, of course was to drive prostitution off the streets, and this it has certainly done; a shipload of sailors could lurch down Piccadilly any night, waving five pound notes in the faces of all and sundry, and they would find no takers. But if they were to direct their

footsteps in the direction of the international district of Soho, with its maze of shabby streets and alleys, they would find a very different scene.

Every few yards they would be accosted by females standing in dimly lit doorways, inviting them to patronize a strip-tease show. If this was too public for their taste they would be able to study a bewildering series of advertisements in the show cases on the walls, giving particulars (and telephone numbers) of every type of "model" or "hostess" in a wide range of measurements. The high profits of vice may be gauged by the fact that these advertisements, which are technically illegal, cost as much as £1 a day. And if their nerve failed them when they lifted the receiver, there would be an ever growing army of pimps at hand to lead them to bogus "clubs" where practically every form of illicit diversion is catered to.

Does this mean that London has become a modern version of Sodom and Gomorrah? No. All it means is that the vice of this vast city, which was previously fairly generally spread over a wide area, has been artificially compressed into a narrow pocket. Soho's rabbit warren is ideally situated and constructed for such purposes. Maybe we are not so far from the day when the authorities will put a red light over the entrance and leave all these sad, silly people to work out their own salvation.

It was the **dullest budget** ever—a standstill budget, an as-you-were budget. In the Commons it was greeted with yawns from the majority of the Tories, and scowls from the back-benchers. The only people who cheered—ironically—were the members of the opposition.

Look at it. Not a cent off the income tax. No change in the penal rate of surtax, which still begins at the absurdly low



Every night the scene becomes sleazier and sleazier in Soho.



Gayest Holiday We Ever Had ... Our Trip to Britain! And it cost us less than \$500 each

Ten of the happiest, most colourful days ever. That's what we spent in Britain, last fall. And the cost—round-trip fare included*—totalled less than \$500 each. We had fun in London—sightseeing by day; theatre-going, concert-going, dining out, by night . . . We saw a hundred famous places in Scotland and Wales and Northern Ireland . . . We met a host of friendly people . . . We shopped for bargains — woollens, silver, antiques. And we brought back memories to last a lifetime. Your travel agent can tell you how to do it. Or use the coupon to write for colourful free literature.

**From Toronto; add \$150 from Vancouver*

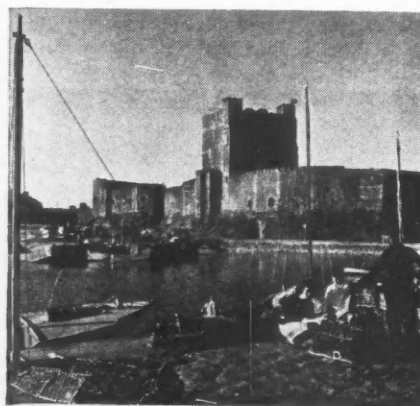
The British Travel Association
Dept. SN-460, 90 Adelaide Street W.
Toronto, Ont.

Please send me free literature on travel to Britain.

Name

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When holidaying in Britain, and visiting such places as Carrickfergus Castle, in Northern Ireland, we stayed in country inns for around \$3.50 a night each — bed and breakfast. And our drive yourself car cost us 11 cents a mile — gas and all!

COME TO BRITAIN

level of £2,000 a year. Not a cent to the old age pensioners. The sole incentive to saving is in the niggling permission to buy an extra 200 National Savings Certificates. The only "spur" to industry is an *increase* in the profits tax, and the only "relief" to the man-in-the street is an *increase* of tuppence in the price of cigarettes! Booming Britain has been treated as though Britain were about to go bust.

What strikes the average uneconomic mortal about our present chancellor, non-smoking Mr. Heathcoat Amory, is the fantastic inaccuracy of his estimates. Last year Mr. Amory predicted a revenue surplus of £100 million and got nearly £400 million. He also predicted a capital deficit of £750 million and achieved only £314 million. These figures were quoted with blistering scorn by Tory Gerald Nabarro in one of the most devastating attacks any chancellor can ever have had to take—certainly from his own side. "Political turpitude—cowardice—wild inaccuracy—mendacious claims." Such were his accusations. And Mr. Amory, sitting just below him, only grinned wanly and doodled on his blotting pad.

What will be the result of this damping and depressing legislation? One of them, most certainly, will be a further exodus of the artists . . . the writers, the dramatists, the painters . . . all those who export their talents to America, at enormous profit to the treasury and little or no profit to themselves.

Consider a man like Cecil Beaton whose income from shows and films, apart from his photographs, can only be described as princely. The last time I saw Cecil—just before he was summoned to the palace to take the pictures of the new royal baby—he said to me: "I am getting rather tired of making nothing but sixpences." Which is all they leave him out of a pound.

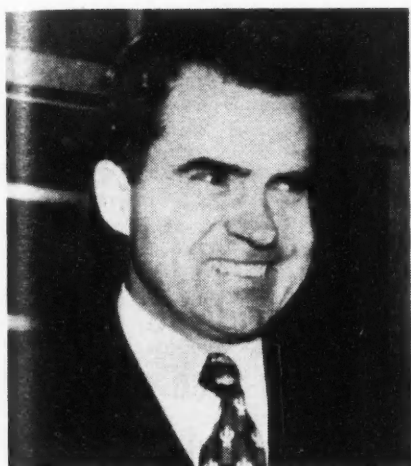
The growing resentment against this crippling taxation is exemplified by society's changed attitude towards Noel Coward. When Noel shook the dust of London from his feet—financially speaking—three years ago, and domiciled himself in Nassau, a great many hands were lifted in horror. "How *could* Noel do it?" they exclaimed. "After writing *Cavalcade*!" After composing 'London Pride'! After all he has preached about patriotism and the British Navy and what have you!

Today, one hears none of that sort of carping. Indeed, when Noel made one of his brief London appearances the other day—the Inspector of Taxes only allows him a total of 12 weeks British residence per annum—he was hailed on television as "the most deeply respected member of the theatrical profession."

All the same, your battered and harried correspondent stays put. I couldn't bear the thought of having to sail away just when all the cherries are coming out.

Books

by J. N. Mappin



Richard Nixon: Most controversial.

AMONG THE MORE romantic appurtenances to the panorama of American politics, there is none which commands more attention, if not respect, than that quadrennial carnival constitutionally defined as a presidential election. And it is traditional in an election year that there descends upon the American public (and overflows the 49th parallel) a spate of campaign biographies touting the virtues of the leading contenders for office and, occasionally, warning the voters against some particularly low fellow, the depths of whose depravity would go generally undetected were it not for a selfless sense of mission on the part of the author.

Richard Nixon is now assured of the Republican nomination. He is also the most controversial figure in contemporary American politics. Indeed, in Stewart Alsop's eyes "he could not possibly have gone ahead so fast if he had not had those qualities that make people admire him extravagantly or dislike him intensely." To his admirers Nixon is a man of limitless energy and capacity; to his critics he is a slick piece of political chesecake who will say anything and do anything to accomplish his political purposes. Both views will find support in these new books by leading journalists.

William Costello summarizes the case against Nixon in moral terms: "he understands the use of power but not the unwritten restraints on its use . . . there is a time when might does not make right, when superior numbers find it imperative

Nixon: President in the Making?

to exercise self-restraint and seek an accommodation that all can live with." Costello is right, of course, if he is considering the moral basis of democratic society. But this maxim, though present in American society, finds expression through constitutional restraints and pressure groups, rather than through the actions and words of politicians.

There is ample evidence, up to the 1954 election, that Nixon threw enough low punches in the form of innuendoes and rhetorical questions ("isn't it wonderful finally to have a Secretary of State who isn't taken in by the Communists") to justify Stevenson's remark that he was a McCarthy in a white collar. Nonetheless, the case against Nixon as a campaigner remains partly misdirected and partly untrue.

Stewart Alsop is convinced (though Costello is not) that in 1946 there was no organized telephone campaign used to raise doubts as to Jerry Voorhis' loyalty; and in the 1950 senatorial campaign, although Nixon compared Helen Douglas' voting record to that of the fellow-traveling Vito Marcantonio, he did so only after Mrs. Douglas had first tried to tar him with the Marcantonio brush. Furthermore, Nixon got his ripest material from Mrs. Douglas' opponents in the Democratic primary.

Also, as Alsop points out, the 1946 and 1950 campaigns were rough on both sides, and "in both campaigns the fact is that Nixon simply adopted the basic Republican line, with variations of his own." Thus in the early campaigns both sides used tactics which by any usual standard of human decency are morally repugnant. In the final analysis the Republican party itself must be held primarily responsible for the particularly vicious form their propaganda took, rather than its most effective campaigner.

The most unwholesome and extraordinary fact of American politics, in many ways the most democratic in the world, is the apparent legitimacy that has been traditionally accorded the idea of challenging an opponent's loyalty. It was commonplace for the the early Federalists and Republicans to hurl charges of sub-

version at one another. As Hamilton wrote to Jay when Jefferson's election in 1800 seemed inevitable: "In times like these it will not do to be over-scrupulous."

Much of the criticism against Nixon is a left-handed tribute to his effectiveness as a politician. It is not so much that he will stoop to things that are beneath his opponents as that he will use the same weapons to better practical advantage.


The presidency is not an honor accorded but a prize won. It is a tragedy that brilliant ideas eloquently expressed, as they are by Adlai Stevenson, don't make more of an impact on the electorate; or, more accurately, that for a candidate to get the message across is politically more important than the content of the message. Nor can this be written off to the iniquities of admass and Madison Avenue; it has always been a political fact of life.

Political success has never resulted from either, in Stevenson's phrase, elevated democratic dialogues, or the Jeffersonian ideal of the noble instincts of the honest yeoman. Nixon is not alone in his awareness of the fact that before one can be a statesman one must be a successful politician.


Of the three books being considered here, Earl Mazo's is the most detailed account of Nixon's political career. We are offered in objective detail the facts about the congressional and senatorial campaigns, the Hiss case in which Nixon's tenacity brought more to light than any other member of the committee, and incidentally made him a national figure. There follows the 1952 convention and election, and thereafter Nixon as the harassed liaison man between the administration and the hydrophobic Senator McCarthy, his role (one Nixon himself came to loathe) as the number one spokesman, campaigner, or, if you will, public relations man of the Republican Party, whose appointed task it was to reply to every Democratic attack on the administration.

By Eisenhower's decision the importance of the vice-presidency was greatly increased. Nixon worked more closely with the administration and was more a mem-


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ber of the President's team than any other vice-president in history. He was sent on goodwill tours around the world, nine in all as Mr. Costello reports, "and the White House each time was at pains to emphasize Nixon's status as the President's representative and to lend him the full weight of the President's prestige."

For his part, William Costello has struggled to be fair, although Mazo has perhaps a better claim to Costello's title than Costello himself, as the latter's book sometimes approaches a hatchet job. His facts are mustered to serve his thesis that Nixon is morally unfit to be president.

To this end, for instance, Costello quotes some derogatory remarks of Taft's following the 1952 convention, without apparently considering that the defeated man would hardly have been human if he had felt kindly towards one who had supported the nomination of Eisenhower all year, and who had worked towards Ike's victory at the convention. It is conceivable that Taft would have been rapturous in his praise of Nixon had the presidential nominee been different.

But this aspect of Costello's book, which contains some surprisingly sensitive writing for a political monograph, should not be over-stressed. His is a balanced presentation of facts, but from the facts presented one may easily draw different conclusions than his.

It will not surprise many people to learn that Stewart Alsop, a man whose liberalism is unchallengeable (he and his brother Joseph were two of the most eloquent and effective journalistic opponents of the late Senator McCarthy) was originally hostile to Nixon, but some will doubtless be horrified to find that Alsop now believes that Nixon has many of the qualities, primarily courage and an instinctive and productive response to crisis, that are required in a competent president.

Alsop finds Nixon fascinating to talk with, a man "with really first-rate mental equipment" who talks, sense, and who never "wraps himself in the American flag or orates in private."

The primary purpose of Mr. Alsop's book ("beyond a wish to eat") is to compare Nixon and Rockefeller, and he has put before the public an excellent comparison of the two leading Republicans. Rockefeller withdrew from the race because of the results of his private opinion polls and the obvious preference of the party professionals for Nixon, but he remains in the front rank of his party, and this book will continue to be read because of its author's brilliant political insights. Alsop may always be read profitably on leading political personalities.

In Alsop's view, much about Nixon can be explained in terms of his Irish ancestry and Quaker upbringing. He is a strong partisan ("when someone attacks, my instinct is to strike back") and a great team man. In his private life he is shy and



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aloof, lacks warmth, and has few close friends ("I can make a speech to thousands, to ten million on television, but I can no more go up to a single individual and ask for a ten-dollar political contribution than I can fly").

Like most outstanding political leaders he is a born actor. The television explanation of the Nixon fund nauseated thousands, yet convinced hundreds of thousands of voters. What remains generally unknown about that episode is that Nixon aimed his shafts not only at the public, but also at the many Republican leaders who wanted him to withdraw. And for pure schmalz, for pure pyrotechnical garbage, Nixon's speech couldn't hold a candle to that of Frank Clements, the Governor of Kentucky, the keynote speaker at the last Democratic convention. *Caveat emptor.*

Nixon and Rockefeller, by Stewart Alsop
Doubleday—\$4.50.

Richard Nixon, by Earl Mazo—Mussion
—\$4.95.

The Facts About Nixon, by William Costello—Macmillan—\$4.50.

"What Is Truth?"

SOME TIME AGO the editors of the *Saturday Evening Post* invited twenty-one famous scientists, scholars and artists, to assess, each on his own terms, the significant ideas of the present century. The proposal, coming from a popular periodical with mass circulation, was an impressive adventure of the mind in itself, but the resulting symposium paid off handsomely in terms of both appreciation and prestige.

The subjects range through art, science, history, sociology and religion and the writers include Edith Sitwell, Robert Oppenheimer, Herbert Read, Lewis Mumford, Fred Hoyle, Bertrand Russell, Walter Gropius, and Aaron Copland. In every case the writers held scrupulously to the terms of the contract. None of their contributions are popularizations; all are hard-won, uncompromising professions of Twentieth Century belief.

"The first thing to do to a problem is to recognize it; the second is to state it; the third is to solve it," writes Mark Van Doren in his introduction. The recognitions here are clear and the statements firm, but the solutions are for the most part tentative. Neither the scientists nor the theologians are able to come up with any dogmatic answer to the everlasting problems "What is Truth?" and "What is Man?" M.L.R.

Adventures of the Mind, from the *Saturday Evening Post*—McClelland & Stewart—\$4.50.



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University of Alberta

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Music

by Hugh Thomson

The Savant of the Sax

"THE SAXOPHONE," wrote the late dean of British music critics, Ernest Newman, "is an ill woodwind that nobody blows good". It is plain that he had not heard the French classical saxophone virtuoso, Marcel Mule, or his 25-year-old disciple, Paul Brodie of Regina, Canada's only concert saxophonist and the first professor of the instrument at the Royal Conservatory of Music, Toronto. Brodie received his Master of Music degree from the University of Michigan, after which he studied eight months with Mule in Paris.

"The saxophone is a noble instrument," Brodie affirms. "It is the 'cello of the woodwinds, and when it is played by an artist, every note is a gem. He may work months to turn certain phrases expressively in a classical score. Most jazz saxmen, on the other hand, take off on improvised rhapsodies without control of the instrument or even holding it properly. I feel nauseated when I hear them making it honk and growl in smoky, boozy dives. The saxophone is a pure-sounding instrument with a singing voice capable of infinite nuances, but they run the gamut on it from A to B—that is, from loud to louder."

When you meet the eager, handsome Brodie you can tell he has the zeal of the purist, and yet he is no classical stuffed-shirt or aesthetic ascetic. He admires certain jazz saxmen such as America's Paul Desmond, Lee Konitz and Canada's Bernie Piltcher, Jerry Toth and Moe Kaufman, all of whom he describes as "schooling musicians with something to say." In his view, however, they form "an insignificant minority."

He is incensed by "the enemies of the instrument who stick chewing-gum into the bell to produce a mucky sound supposed to be jazz tone, and puff out their cheeks while rocking and rolling about in an irrelevant choreography which they call 'concept'." His concept of them is that they are "the oafs of the instrument." But if he feels contempt for them, his blood boils at "those saxophonists who can play decently but, in order to win the vocal, half-witted patrons at jazz concerts, turn themselves into off-pitch honkers."

Brodie's repertoire includes three concertos, the Rhapsody for Saxophone and Orchestra by Debussy, five sonatas and a

dozen shorter concert pieces. Although he plays all woodwinds, his principal instruments are the alto and the soprano saxophones.

Last season he took his chaste, bel canto (beautiful singing) style of playing on tour to the high schools of Ontario. "As soon as I walked on," he said, "the audiences figured I was another 'sax cat'."



Paul Brodie: Gospel according to Mule.

about to wail 'Blues in the Night'. Imagine their amazement when I played classical music with a singing style and a tone that remained even throughout the instrument's range! I am sure they expected the customary gurgling and wobbling."

Fan mail and telephone calls poured in when he appeared for the first time last season on the CBC radio-network playing Glazounov's Saxophone Concerto with an orchestra conducted by Dr. Ettore Mazzeni, principal of the Royal Conservatory. This season he will give a similar broadcast and make concert appearances throughout the Western Provinces, Ontario and Quebec.

When in Toronto he teaches an increasing number of pupils at the Royal Conservatory and, as professor-on-circuit, conducts classes at the junior high schools of Metropolitan Toronto. His avowed mission is to prove to Canadians that the saxophone is a legitimate concert instrument with a sizable literature which exploits its special charms. In order to achieve this he must have missionaries who share his enthusiasm and conviction, and

he will find these, he feels, among star pupils to whom he will impart the traditions and style of the master, Marcel Mule.

Brodie worked and saved for three years in order to study with the eminent Frenchman, who is often spoken of as the Fritz Kreisler of the saxophone. "You may imagine," he said, "the mixed feelings that sailed with me from New York: anticipation, trepidation and not a little confusion. The search for a place in which to live and practise did nothing to lessen the last. The accommodation I eventually found was straight out of *La Boheme*: an unheated garret without benefit of plumbing."

"Lessons with Mule were held in his Montparnasse apartment, high above the sounds and smells of a fish market. There I spent many hours playing, listening to him play, and discussing the instrument and music in general."

"In France, the saxophone is treated as a serious instrument, and most of the leading conservatories have a professor of the saxophone and a prescribed curriculum. Although it is true there are relatively few major works written for the instrument as compared to other winds and to the strings, there is a wealth of shorter pieces, most of them completely unknown on this continent."

"The National Conservatory in Paris is precisely what its name suggests. The top graduates from provincial conservatoires compete annually for admission to it. I was enrolled in its foreign auditors' division, which provided full student privileges as well as private tuition with M. Mule."

"The class consisted of ten students, all of whom were very advanced. They were extremely friendly and greatly interested in Canada, especially in our hockey and RCMP. For my part I was most impressed with the students' respect for their teachers. As he entered the room, all stood and shook hands with him. Lessons were painstakingly prepared. Two études were assigned each week from the books of obscure pedagogues of the instrument. The compositions of Vivaldi, Corelli, Handel, Bach and Rameau lay well for the saxophone in transcriptions, and were played with fine musicianship. We studied as well original works for the instrument by d'Indy, Debussy, Milhaud, Ibert, Glazounov, Pierne and others."

"The French school of the saxophone taught me a purer, superior concept of tone and phrasing, and I learned how well the instrument may be received in solo performance. Let us hope in the not too distant future we may approach the French standard of saxophone study and playing."

Paul Brodie may be filled with the ardor of the campaigner, but he is wise enough to realize it will take time for him and his pupils to spread the gospel according to Mule in Canada. "Make no mistake," he advised, "we will fulfill our aim and it will be to this country's great gain!"



"Can-Can": Unlike Khrushchov, we are the folks at home.

Films

by Mary Lowrey Ross

Oo-La-La Into Hoopla

CAN-CAN, it will be recalled, was in the making when Mr. Khrushchov turned up in Hollywood last year, and the visitor was given a preview of one of the big spectacle numbers. His reaction, as recorded on television, was genial enjoyment followed next morning by shocked disapproval, as recorded in the press. The ambivalence was natural enough. Mr. Khrushchov was bound to be stirred by the extravagance, the energy and the fervent chromatics of the Hollywood spectacle. At the same time he probably felt it necessary, for the sake of the folks back home, to correct the impression that he was having a good time at the preview.

Movie-goers on this continent will probably go along with Mr. Khrushchov in his first impression. We like bounce and leggy choruses and high, wide budgets. And, since extravaganzas of this particular type are native to America, there is no need to worry about the Khrushchov second thoughts on *Can-Can*. We are the folks back home.

The time-setting here is the Nineties and we are even given a glimpse of Toulouse-Lautrec toddling off to make his nightly records of the life of Montmartre. The world here, however, is the world of Hollywood 1960, and it is unlikely that artist Toulouse-Lautrec would find in it much that he would recognize. The little cases are vast elaborate sets and the can-can chorus girls are precision dancers, entirely lacking in the fine blowsy quality one associates with the period.

Maurice Chevalier and Louis Jourdain are on hand as a pair of French magis-

trates and even they seem in this setting to be more indigenous to Hollywood than to Montmartre. The principals are Shirley MacLaine and Frank Sinatra, with Sinatra as a Paris lawyer and Shirley MacLaine as a French cabaret operator, and both as American as Todd-AO.

Frank Sinatra is an agreeable actor, and Miss MacLaine displays the sheer stamina that can pass for comedy in this type of production. In *Can-Can* she is tossed around the stage like a human bean-bag, she is hustled by the gendarmes, dragged into patrol wagons, and, at one point, dropped, in full evening dress, into one of the muddier stretches of the Seine. Her problem through these vicissitudes is how to get herself legally married, while keeping herself out of jail. Since this is practically the whole of the plot she has to go to considerable extra trouble to balance the production-budget and keep the public entertained.

As it works out, *Can-Can* is a good, popular musical, first class, second grade. It has little natural exuberance, but it has plenty of bounce. The choreography is showy, sometimes even stunning, but it isn't imaginative, and the Cole Porter tunes, while enjoyable, represent a musical re-arrangement rather than a score. With all the know-how that money can buy it has little enchantment; know-how itself is not enough.

Home from the Hill has been widely publicized as an "adult" film, which means, as you have every right to expect, that few of the people in the story behave like normal adults. The hero (Robert

Mitchum) is a manorial type who has inherited, along with a vast property, a belief in his *droits du seigneur* over any female who happens to catch his eye in his territory. His wife (Eleanor Parker) naturally questions this assumption and firmly locks her bedroom door against him.

She is further afflicted by the presence of her husband's illegitimate son, who is kept on the place to do the estate chores. Meanwhile, she does what she can to protect her son from the fearful example of his father. Nothing comes of this, and finally the domestic situation reaches such a pitch that there is nothing to do except put father out of the way, a piece of screen euthanasia which any sensible movie-goer should support enthusiastically.

There are some fine hunting sequences in *Home from the Hill* but they aren't enough to compensate for two hours and a half of irrational emotionalism unsupported by a single persuasive performance.

The Magnificent Seven is a Japanese film directed by Akira (Rashomon) Kurosawa. Set, like its predecessor, in mediaeval Japan, it tells the story of a group of Japanese samurai who come to the rescue of a village threatened by bandits. The seven are mercenaries, but mercenaries in the samurai tradition, who fight for fighting's sake, playing at war like strategists and generals. The story is a straightforward one which makes little use of flashbacks; and it is so filled with action that you have to watch sharply to recognize how every frame is as devoutly devised as a Japanese flower arrangement.

Kurosawa is a creative worker, deeply concerned not only with action and beauty but with old age, childhood, hunger, death and the curious antic movements of the human spirit. This takes time, for Director Kurosawa is not a man to scant the fundamentals. He pursues his various but deeply integrated purposes with a relentlessness that may leave you exhausted before the end. *The Magnificent Seven* isn't a film that can be absorbed in a single sitting. It is well worth seeing twice over.



"Magnificent Seven": Devoutly devised.



Mont Orgeuil Castle dominates the harbor of Gorey.



Corbiere Lighthouse, Jersey, is a fine panorama.

Britain's Channel Islands Easy On the Budget

by Frank Oxley

"NO MAN IS AN ISLAND . . ." wrote John Donne, and he completed his philosophizing by the famous reference to a tolling bell.

But although nobody is an island, entire of himself, it is a strange truth that most of us have a soft spot in our hearts for islands in general. This attraction is to be found to no small degree in those appanages of the British Crown known as The Channel Islands.

"Jersey, Guernsey, Alderney and Sark," went the little jingle at school.

Where are they? What are they? How big are they?

They lie, benevolently sheltered from most of Nature's nastiness, in a bay north of that infamous one known as Biscay, approximately 100 miles due south of Weymouth, England, and a few miles west of the Cotentin Peninsula coast of France.

The Channel Islands owe allegiance to the Queen, but they are self-governing, have their own laws, and very attractive rates of taxation. There are, for example, no death duties.

Size? Jersey embraces about 45 square miles, Guernsey about 25, and if Alderney, Sark, Herm, Jethou, Brechou and the rest of the *really* tiny islets are thrown in for good measure, the total hits the 75-square-mile mark.

All the islands have the conventional benefits to offer the visitor — plenty of sunshine, golden beaches, granite cliffs for climbing, fine bathing, golfing, and the rest.

But they have much more to offer besides, and particularly to Canadians. The number of visitors from North America who are "discovering" the islands is going up year by year.

Consider the location: one hour's flight by prop-jet Viscount from London Airport (round trip gets you change out of \$27); Paris is 90 minutes away; Dinard

and St. Malo, established French resorts in Normandy, are but 20 minutes by air; and there are no problems over passports, languages, or currency.

If any average Canadian told another average Canadian that he *never* felt the mood of "escapism" overtake him, he'd probably be told to have the rocks extracted from his head. It is precisely this desire for a vacation "away from it all" which is sated by The Channel Islands.

To be sure, tourists flock there in their hundreds of thousands annually — but even during the peak season it is never difficult to find a small, sandy bay with only a half-dozen or fewer people there before you.

All the islands have excellent hotel facilities, and prices are so reasonable to the Canadian pocket as to be downright ridiculous. For \$50 a week, you can take your pick of the very best hotels, and first-class accommodation is accompanied by three meals a day from a fine cuisine and the usual services. The view, of course, is free.

Glorious weather is the rule, but summers never reach the unpleasantness of a Toronto August, for example. Temperatures in the upper seventies are usual, and it's considered "damn cold" in winter when the mercury drops below 45 degrees.



Many like to visit the pebbly beach of Archinrondel on the island of Jersey. Old Martello Tower stands guard.

Small boats abound, and Guernsey Harbor, in the town of St. Peter Port, fascinates one on sight.

Alderney enjoys a more bracing climate, being nearly opposite the great French port of Cherbourg and therefore the most northerly island, and Sark has a multitude of off-beat attractions. For those who really want to leave urban living behind, by the way, the only motor vehicles permitted in Sark are some two dozen tractors!

Transportation there is by horse and carriage, bicycle, or shoes and socks. For those who prefer indoor sports, with the elbow firmly braced on a bar, The Channel Islands have the rest of the world beaten to a frazzle.

"Nowhere," said one North American to me some years ago, "have I seen so many places to enjoy a drink, with such a variety of inns, pubs, hotels, and atmosphere."

Most people find no pain in reaching



Curving coastline of Cobo Bay, Guernsey, is prime scenic attraction.

The islands were occupied by the German forces for five years during the second world war, and you'll notice many relics of that period — gun emplacements, concrete bunkers, and even a complete hospital carved out of solid rock in St. Peter's parish, Jersey.

Shops? The ladies will go wild over the prices, for British purchase tax does not apply in these sturdily independent islands. A fine quality leather purse, costing \$30 in London will be gift wrapped in one of the many modern shops in St. Helier, Jersey, as you're handed back change out of \$20.

Island residents consistently refuse to die before reaching the late eighties or early nineties. Maybe some of this longevity will rub off on you — but longer life or not, the welcome that awaits the Maple Leaf visitor is an especially warm one, for Channel Islanders are scattered all over Canada and ties are strong.

One thing's for sure — if you make the small effort to book a plane seat from London (alternatively, you can cross by mailboat overnight from Southampton or Weymouth) and visit the Channel Islands, you'll be back again in the future.



Granite cliffs and smooth sand beaches of Icart Point on Guernsey.



St. Helier Harbor, Jersey, is rendezvous for vessels of all sizes.

for 20 cents to buy a Scotch, and Canadian Club and Seagram's rye are in clear view in most licensed premises.

Cigarettes, by the way, cost about 23 cents a pack.

Want to drive?

There are hundreds of miles of paved roads available, smooth as a billiard table, and cars can be hired easily, with no fuss. Thirty dollars will buy you a four-seater car, with or without sunroof, complete with insurance, for a week. All you need in addition is gasoline — 40 cents a gallon for the premium grade.

Finest harbor of the Channel Islands is St. Peter Port Harbor, on Guernsey.



Sports

by Jim Coleman

Where Is the Brakeman's Daughter?

THE BASEBALL SEASON has arrived, in perennial pursuit of the first robin and the first crocus. Although a large section of the Canadian population will be able to accept this news quite unemotionally, a perusal of United States journals indicates that 175,000,000 persons in that country are palpitating with eagerness to learn whether aged Casey Stengel can inspire the New York Yankees to return to the path of righteousness and riches.

Last season, according to some disenchanted observers, certain members of the New York Yankees confined their most formidable hitting to air-conditioned bars. Although the reports of debauchery undoubtedly were grossly exaggerated, the fact remains that many Americans still haven't acknowledged that the Chicago White Sox won the American League championship while the lordly Yankees finished dismally, in third place.

Apart from this rather touching national concern for the plight of the New York team, the daily budgets of news from the spring-training camps have been dull and uninspiring. Regretably, there has been a paucity of the usual stories about brash young rookies who have their weeks of Major League glory in February and March—and then spend July and August in Walla Walla, Wichita or Yakima.

Now that only 400 young men, out of a total of 175,000,000 persons in the United States, play baseball in the two Major Leagues, there is reason to believe that the rookies of today are considerably more sophisticated than the rookies who appeared in The Twenties, an era which is described nostalgically as "The Golden Age of Sport."

Look though you may, you will not find one single training-camp story concerning a rookie who, this year, accepted the invitation of older players to participate in a "Quail Hunt." And, although millions of words have been written about the training-camps of 1960, there hasn't been as much as one mention of "The Brakeman's Daughter."

In view of the possibility that some readers of this estimable periodical may have lived sheltered lives, it may be necessary to provide a brief description of that hoary jape, known as "The Quail Hunt."

At training-camps of the past, it was

the quaint custom of some of the older, established baseball stars to select an eager but innocent rookie to accompany them on a "Quail Hunt." Flattered by the unexpected attention, the rookie would leap at the opportunity to be in the company of the veterans. He would be invited to sneak out of his Florida hotel and meet them at an appointed rendezvous, usually about midnight.

The older players would be carrying gunny-sacks and short, stout clubs. They would lead the rookie to a secluded spot on the beach and give him a club and a sack.

"Now," one of the older players would explain, "Complete silence is the secret of success in hunting quail. You just squat here in the bush and don't make a sound. When the quail comes out on the beach, hit him with the club and pop him into the sack. Be sure, though, not to call out; don't make any noise. The rest of us will be scattered out along the beach and we'll all sneak back to the hotel at sunrise."

Hours later, at sunrise, the rookie would emerge from his cramped hiding-place. To his surprise, he would discover that his older pals had disappeared. As a matter of fact, his older pals would have been sleeping comfortably in their hotel beds for four or five hours.

As an example of pawky humor at its worst, the "Quail Hunt" scarcely could match that ancient wheeze known as "The Brakeman's Daughter."

One of the old players would ease up to a strong-in-the-back but weak-in-the-head rookie who had arrived in camp with a good-sized chunk of cash. "Son," the older player would say, "You've made a big hit with the best-looking girl in this town. She saw you out at the ball park last night. This is very confidential, but I happen to be going around with her mother. Now, I'd give my right arm to make some time with this young dish, but I'm too old for her. After all, the mother is a looker, too, and she's more my speed. But, this girl wants me to bring you to the house tonight."

To clinch the deal, the old player would bring out a photograph of a pulchritudinous tomato who, by comparison, would make Marilyn Monroe appear anemic.

"Now," the old player would explain,

"the mother—my little sweetie pie—has a husband, but he's a brakeman on the Seaboard Railroad and he's out of town on an overnight run. This is a cinch and you're certainly a lucky stiff because I don't know why a girl like this would go for a kid like you."

The panting rookie would meet the older player later that night. The older player would advise him to buy a bottle of Chanel No. 5. Also he would advise the rookie to buy a case of beer and two bottles of bourbon whisky. "These girls really drink," he would sigh, "but, believe me—the expense is worth it."

With the rookie carrying all the supplies, they would approach a darkened house in a remote section of the town. The rookie would protest when he didn't see any lights.

"Don't be a kook," the older player would rasp. "That's the signal for us to come in—if the lights were on, it would mean that the brakeman had come home unexpectedly."

They would approach the house; the older player would open the door and they would step into a darkened room. At that instant, a gun would be fired in the dark. The older player would drop to the floor, clutching his chest.

"He got me—the dirty so-and-so sneaked home and got me," the dying ball-player would gasp, "drop that stuff and run for your life."

The panic-stricken rookie would sprint for his hotel, pull the bed-clothes over his head and, sleepless, wait for morning.

Remarkably, if he had enough strength to report for breakfast the next morning, the rookie would discover that the waitress was certain to make a mistake in bringing his order.

He would order fruit juice but the stupid waitress was certain to bring him a bottle of Chanel No. 5.

As the modern baseball-players have matured and acquired polish, however, some of the color has gone out of the game.

Baseball was losing popularity steadily until the cities of Los Angeles and San Francisco were invited into the National League in 1958. There will be a period of lush prosperity until the residents of California recover from the pleasant novelty of finally being admitted into the United States of America.

A third "Major League"—the Continental League—is scheduled to begin operations in 1961. The proposed Continental League may prove to be only a brave dream. At any rate, the threat of competition may force the National League and the American League to expand—admitting such cities as Montreal and Toronto to membership.

Then, the citizens of Montreal and Toronto may join in The Great American Concern for the plight of the New York Yankees.

Medicine

by Claire Halliday

The Hazards of Sitting Still

Passenger phlebitis has been called a complication of long-distance air travel. Eight cases are reported in *C.M.A. Journal* of February 6th. It is caused by prolonged sitting (sometimes with crossed legs or in too low a seat), overeating, and dehydration. No case occurred in the pilot, who has more space to move around in. Passengers should be warned of the danger of prolonged immobility.

At the **Common Cold Research Unit** in Wiltshire, Eng., a battle is being waged against this pest. Cold viruses taken from 6000 human volunteers, monkeys, apes and ferrets are being made to grow on embryonic kidney cells. Dr. C. H. Andrews, leading British virologist, believes that within a year it will be known whether the virus cultures can be purified sufficiently to prepare a cold vaccine.

Bronchial asthma: A dose of 10 mg. or less daily of prednisone maintained marked benefit in 22 female patients with intractable asthma; 14 were completely rehabilitated. (Prednisone was added to the usual treatment of severe asthma which had been only partially effective, or entirely ineffective.) In large dosage, the continued use of corticosteroids is said to be hazardous but justified in certain cases. However, in small dosage they have been given without untoward side effects, as in these cases. *The American Practitioner*, December issue, published this work.

Another treatment of asthma is outlined in the *British Medical Journal*, 2:167, 1959. This comprises the inhalation of atropine from cigarettes made from tobacco that contained less than 0.06% nicotine. Some cigarettes contained 1.45 mg. atropine; others only 0.5% mg. Breathing was made much easier because the lung capacity of the patients was increased by from 5 to 48 per cent by the atropine. In 52 of 62 experiments, this increase in lung capacity reached 10 per cent or more, and was maintained for 90 minutes.

Trichinosis: According to an article in the *C.M.A. Journal* of February 27th, five cases of trichinosis occurred in Quebec province last year. This disease is

caused by infestation of the muscles by a parasite. All five patients ate a considerable amount of pork which harbors this parasite but it is killed by sufficient cooking. All cases were admitted to hospital and recovered.

Antihistamines and labor: Dr. L. O. Watt of Ottawa warns in *MD of Canada* (February issue) that antihistamines should not be given to pregnant women to control nausea or vomiting because they may produce abortion.



Crossed legs a new air-passenger hazard?

Cancer is responsible for approximately 12 per cent of all deaths in children between the first and 14th year. (45.2 per cent of these deaths are caused by leukemia.) In this age group, cancer is exceeded only by accidents as a cause of death.

Tranquilizer drugs in childbirth: Certain tranquilizers are said to be ideal for use in obstetrics since they induce relaxation and tend to minimize the fear of labor. Trilafon (8 mg. tablet) at the start of labor or on admission to hospital produced serenity and composure. The use of additional analgesia was greatly reduced and the majority delivered their babies spontaneously without any further anesthesia or with a few whiffs of trileone. The article was abstracted in the *Journal of the American Medical Association*, February 13th.

Radiation from TV not dangerous to genes, doctors state in the October 23rd issue of *Science* research physicians Braestrup and Mooney (Francis Delafield Hospital, N.Y.C.) feel that even from the genetic point of view the amount of radiation from the common TV set appears reasonable. Highly sensitive instruments were used to measure the low level of radiation, taking into consideration the viewing panel and glass, distance between viewer and screen, and the amount of time spent watching. Their tests involved only the panel of the tube; they point out that radiation from the funnel and other parts of the tube may be greater, and there may be a possibility of injury to personnel during testing and servicing of TV sets. They say that the safety of closed circuit TV, electron microscope and other type TV tubes should be established by dependable radiation tests before personnel work with this apparatus.

Undernutrition leads to endocrine disturbance. At one time it was thought that the inability to eat (anorexia nervosa) was caused by some hypofunction of the pituitary or adrenal cortex. It is now recognized that undernutrition itself may lead to endocrine disturbances. Undernourished individuals may show evidence of underfunctioning of the pituitary, thyroid, gonads, and adrenal glands. This study, which originally appeared in *Metabolism*, was abstracted in the *J. American Med. Association* 168:1344, 1959.

Methionine seems helpful in schizophrenia. This amino acid, isolated from protein and used to supplement a high protein diet in liver disease, seems to improve the condition of schizophrenics, particularly in the early stages of the disease. Of 20 patients, the disease was acute in 8. Treatment with methionine made the patients more communicative; their appetite and sleep improved and their ability to care for themselves. A preliminary report was published in *Drug Trade News* of November 16th.

The Paraplegic Association of Western Australia, acting through the Royal Perth Hospital, is making arrangements for "Paraplegic Empire Games" to be held in Perth, Western Australia, just prior to the Empire Games there in 1962. Further details may be had from G. M. Bedbrooks, Shenton Park, Western Australia.

Stand-in Mothers are volunteers organized at the Mt. Sinai Hospital in New York City into a "mother bank" to be drawn on for emotionally disturbed infants. These substitute mothers will spend several hours each day with these babies until their real mothers are physically or psychologically able to give their babies the necessary attention and affection.

Insurance

by William Sclater

Crop Insurance

Does the Ontario Government provide any crop insurance in the province? — N.D., Belleville.

No, but it is presently under study by a special committee of the Legislature which will also evaluate the application of the national Crop Insurance Act to Ontario.

Test areas were set up in Manitoba this year for wheat, oats and barley coverage which would guarantee the farmer 60% of the average yield over a long-term period if his crop is damaged by one or more designated perils. Rust, insect pests, hail, drought, flood, frost, wind and tornado are all included. Premiums to farmers vary from 67¢ minimum per acre to \$1.67 maximum. The federal government pays 50% of administration costs and approximately 20% additional to the total of premiums paid by the farmers.

Life Agent Limitation

I am interested in a deal to buy a mutual fund packet with term insurance. Can I arrange this through my own insurance agent or do I have to deal with a mutual fund representative? A life agent tells me that life companies are backed by the government and pay a guaranteed dividend of not less than 2½%. He thinks I should stick to life insurance. What do you think? Is there a combination of both in one insurance company? — M.T., P.E.I.

Since it's your money and this is a free enterprise system, it's your choice. Both life insurance companies and the mutual funds are completely reliable from the security viewpoint. While no Canadian life insurance company has ever gone bankrupt and left its policyholders stuck in a 100 years of operation, they are not backed by the government. They do have to live up to the very high standards set for the protection of policyholders by the Insurance Acts passed by the Parliament of Canada under which all companies have to be registered and by the provisions of which they must govern themselves.

There is no guaranteed dividend paid by any life company. Dividends vary de-

pending on the type of policy and I would refer you to a copy of the Superintendent of Life Insurance for Canada's reports, available in any good reference library, which show the illustrative dividends paid by the various companies. Some would undoubtedly be higher than the figure you mention.

No life insurance agent in Canada can sell securities. U.S.A. life agents can do so, in the U.S.A. In the U.S. some life companies have subsidiary mutual fund companies and there are many linking tie-ups. But a Canadian life company may own no more than 30% of any other company's stock and this is a limiting factor in this field, though Canadian Life insurance companies are showing indications of following the southern trend.

National Life, for example, already owns a 30% interest in three Canadian Mutual Funds and the National Life President is on the board of governors of the three funds. The Group Pension field will undoubtedly be affected by such mergers integrating the advantages of both life insurance and mutual fund equities to provide fixed annuities, or variable annuities, as optioned.

The Points System

Writing as a senior insurance man I am more than a little disturbed at some of the irresponsible attitudes towards the public good that are being displayed by senior officials at Queen's Park these days. The Points System for drivers was introduced not only as a sincere attempt to improve poor driving habits but also to eliminate the very small percentage of drivers who are quite incorrigible, unsusceptible to correction and far too serious menace to the lives and wellbeing of our people to be allowed to drive vehicles on our streets and highways.

But what is happening? Some people in Queen's Park seem to be trying to hamstring the vital heart of the Points System by their irresponsible attitude. Their soft attitude towards the very offenders they should be prosecuting most vigorously is incomprehensible to say the least of it. The excuse that some poor chaps are penalized from earning a living when their

licence is suspended is as irresponsible as a sick child asking for more of the candy that sickened it. If these poor chaps can't control themselves and the vehicles they drive, sufficiently to keep our laws, then let them be put off our roads and the sooner the better. Their small percentage is a menace to the lives and limbs of the vast majority of law-abiding motorists.

Our Points System needs tightening-up, not loosening into a playground for violators. Police should be checking up on the drivers whose licences are under suspension. If these people decide to flout our laws and drive without a licence, then let us start teaching them who the laws are made for. Give them a jail sentence without the option. Let the auto they are driving be seized and sold for the benefit of the unsatisfied judgments fund. Give them three years additional suspension for the first offence, five years additional suspension of licence for a second offence and life suspension of driving privileges for a third offence.

It is only by putting real teeth into the Points System that this minor percentage of habitual violators will be weeded out and taken off the roads and it is only by such enforcement we will bring the cost of auto insurance down and reduce the toll on life and limb on our streets and highways. What is your opinion?—J.D.B., Toronto.

People whose driving privileges are suspended shouldn't be driving cars and if they do they should be dealt with, and so should the owner of the auto they are driving. I quite agree that only proper administration and enforcement of the Points System will help reduce the accident toll and the property damage that can reduce the insurance costs of coverage. Auto accidents are the third leading cause of death in Canada today.

See a Lawyer

My husband had an auto accident with a person from Ottawa and the damage to our car was over \$160. We live in Quebec. This Ottawa man signed an agreement to pay us so much a week but he has not kept the agreement. He admitted his fault and the police say it was his fault too.—C.D., Gatineau Point.

Sounds like a case for police court. If the accident happened in Quebec there will be no liability under the Ontario Unsatisfied Judgments Act. If it happened in Ontario you must have a judgment before you can make a claim. See a lawyer. You seem to have a good case but whether you can collect or not is something else. That will be governed by the financial status of the other party.



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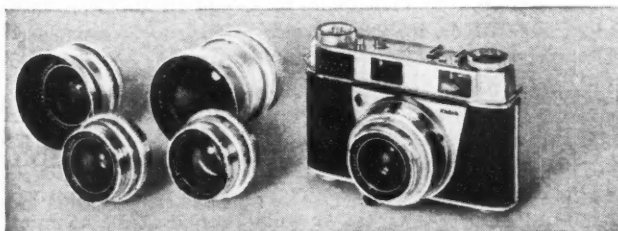
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Your Taxes

by Garfield P. Smith, CA

Foreign Tax Credit

I came to Canada from the United Kingdom eleven years ago; however, I still own common shares in U.K. corporations. Each year since my arrival, I have received dividends on such shares, but tax has been withheld at the source at rates varying from nine shillings to the pound to the present rate of seven shillings and nine pence to the pound. I understand that the Reciprocal Tax Convention between Canada and the United Kingdom is supposed to eliminate double taxation; however, the Canadian tax authorities have never given me credit for the full amount of taxes paid to the United Kingdom. I would appreciate your comments in this matter.—J.E.B., Vancouver.

Although the Canadian Income Tax Act and the Reciprocal Tax Convention provide for the relief of double taxation, the foreign tax is not always eliminated in its entirety. The tax credit is only allowed to the extent that it does not exceed the effective rate of Canadian tax.

For example, if your income were \$12,000, and your income tax were \$2,000, your effective rate of tax would be 16⅔%, or in other words you would be paying an average rate of tax of \$100 for each \$600 of income. Now if you were to receive \$600 in income from foreign sources, from which \$40 had been withheld as foreign income tax, you would be entitled to deduct \$40 from the Canadian tax otherwise payable. If on the other hand, the foreign tax deducted at the source were \$150, you would be permitted to deduct only \$100, because on the basis of the effective rate of tax, the Canadian authorities have only taxed the foreign income to the extent of \$100.

In other words, they are saying we will reduce the tax on the foreign income to compensate for foreign taxes paid, but we won't reduce such tax below zero. To do so, would have the effect of reducing the tax on the remainder of your income. Now it might be argued that the maximum tax credit should be based on your top income tax bracket rather than on the effective or average rate. For example, if your taxable income exceeded \$8,000, you would be in the 30% tax bracket, even though your effective rate of tax would be slightly in excess of half of this rate.

If your income were increased by \$600,

your tax at 30% would be an additional \$180. The tax on this amount at the effective rate might be only \$100, and that would be the maximum foreign tax credit which you could claim, so that the net additional Canadian tax payable as a result of the extra income would be \$80. If the foreign tax withheld at the source were greater than the equivalent of \$100, your total tax would be the foreign tax plus \$80.

Royalties

In October 1958, I entered into a contract with a company to remove shale from my property on a royalty basis, subject to a minimum payment of \$5,000 per year during the life of the contract. Owing to delays in getting the plant into operation, no shale was removed during the first twelve months of the contract, but in accordance with its terms I received a payment of \$5,000. This is simply a default payment, and was only made to keep the contract alive. The local income tax office claims the amount is income, although nothing was produced, and there was no profit to either myself or the company.—T.W.M., Ganges, B.C.

You say there was no profit to you, although you received a payment of \$5,000. The amount in question would appear to be income. Had the royalty payments on a unit price basis amounted to \$4,000, and the minimum payment of \$5,000 was made in accordance with the terms of the contract, there would be no attempt to claim that only the \$4,000 was income, and that the balance of \$1,000 was capital. Even though no shale is being extracted, a payment is being made annually, which gives the company certain rights over the period of the contract. Even if the annual payment could be divorced from the royalty, it would still fall into the classification of income from a property, and so be subject to tax.

Residential Telephone

In a recent case before the Tax Appeal Board, the question to be decided was whether a deduction could be made for the cost of a residential telephone. The appellant, a lawyer, claimed that the senior partners of the firm insisted that each firm member have a telephone at his residence so that clients could reach him

there when necessary.

The Board was unimpressed by this evidence, and was of the opinion that anyone in the same financial position would have a residential telephone in any event. There was only one telephone at the taxpayer's home, and Mr. Fordham of the Board, said that he could not believe that he would have done without a telephone if his firm had not insisted on him having one. To quote Mr. Fordham: "It would take a bold and stern husband to deprive his wife of a telephone for social and domestic purposes and I do not think that the appellant would have cared to qualify as such."

The undisputed evidence that from sixty to one hundred long distance business calls were placed through his house telephone was accepted. However as Mr. Fordham said: "It is nevertheless interesting to conjecture as to what the appellant's response might have been if the Bell Telephone Company of Canada had proposed charging a commercial, instead of residential, rate by reason of the contemplated use to which the said telephone admittedly was put. Likely, there would have been strong protests on his part."

He stated that in his view, a telephone was a personal or living expense and thereby prohibited from being treated as a deduction. He pointed out that if the appellant had had an additional telephone at his residence under a separate and professional listing and paid for as being a business telephone, the matter may have been viewed differently. Needless to say, the appeal was dismissed.

Share Valuation

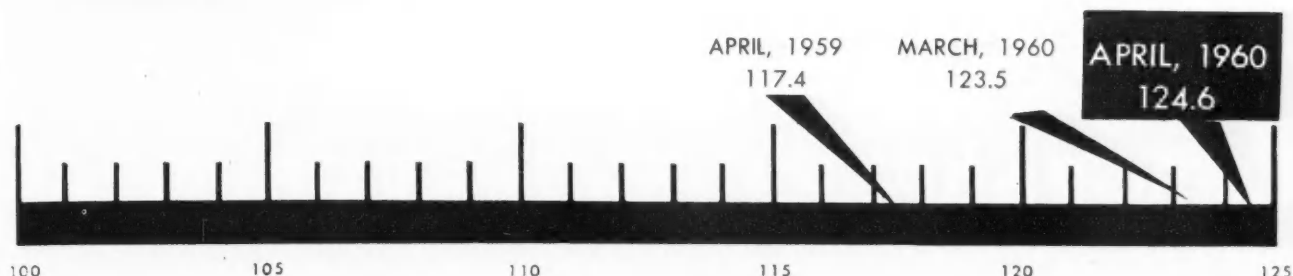
Where a builder purchases land for \$100,000, and sells it to his own company for preference shares having a par value of \$200,000, has the builder made a profit? This is similar to a question recently put before the Tax Appeal Board. It was held that any profit realized on the sale to the company would be taxable, but in determining the profit, the preferred shares would have to be taken into account at their true value and not at their par value.

In the case appealed, the only asset of the corporation was the land purchased from the taxpayer, and the shares of the company could be worth no more than its assets. Accordingly, the preferred shares were worth no more than the market value of the land. In the actual case, the land was considered to have appreciated slightly in value, and that was the extent to which the appellant could be taxed.

It would appear that if the company were subsequently to have sufficient earnings, the preferred shares could be redeemed at their full par value, so that the vendor would have realized his selling price in full without further tax liability.

SN

Business Index for April



Indicator Table	Unit	Latest Month	Previous Month	Year Ago
Index of Industrial Production (Seasonally Adjusted)	1949 = 100	172.2	168.5	159.6
Index of Manufacturing Production (Seasonally adjusted)	1949 = 100	154.6	150.1	143.9
Retail Trade	\$ millions	1,161	1,597	1,178
Total Labor Income (Seasonally Adjusted)	\$ millions	1,522	1,519	1,447
Consumer Price Index	1949 = 100	126.9	127.2	125.5
Wholesale Price Index of Industrial Raw Materials	1935-39 = 100	240.9	241.8	237.7
Manufacturers' Inventories, Held and Owned	\$ millions	4,402	4,388	4,378
New Orders in Manufacturing	\$ millions	1,868	1,927	1,709
Steel Ingot Production	'000 tons	545	562	432
Cheques Cashd, 52 Centres	\$ millions	20,980	24,496	20,470
Total Construction Awards (Hugh C. MacLean Building Reports)	\$ millions	188.5	214.0	203.4
Hours Worked in Manufacturing	per week	38.7	40.9	37.3
Index of Common Stock Prices	1935-39 = 100	241.1	249.9	270.2
Imports	\$ millions	454.3	396.5	381.6
Exports	\$ millions	430.1	421.9	322.2

Most latest figures are preliminary ones.

OVER THE PAST weeks so many facts have been thrown into our economic pot that it is hard to know how the stew is shaping up. Here's the good and bad of what's been happening:

The capital investment forecast for 1960 amounted to \$8.8 billion of new construction and new machinery and equipment, which is pretty good. We may have the best year yet. This solid look firms up our confidence in the economy. Estimates do not include any dollars to be spent on work for gas exports, since these were not okayed when the intentions were totalled. We shouldn't have difficulty in meeting the forecast, even exceeding it. Housing will do poorly, construction generally will hold its own, but there are gains for new machinery and equipment.

The imbalance on our international payments was record-high last year. The annual debt was almost \$1.5 billion. The giant share of this—over \$1 billion—was not in our merchandise trade; it was mainly in interest and dividend payments, excess travel spending by Canadians outside this country, and the like. How much we can go in the hole this way is part of the question raised by Bank of Canada

Governor James Coyne. So far the debt has been balanced by fat rushes of capital into Canada, which means more and more foreign control of our assets.

Merchandise trade, which is part of this affair, had a deficit of \$386 million last year, far from a record. In the last quarter of the year we even had an export surplus. In the first two months of 1960 we have been running neck and neck—in dollars. Some exporters—and Trade and Commerce Minister Churchill is going along with them—feel that 1960 may show an export surplus. Actually what has happened in our international trade relationships these past months has not happened for any number of consecutive months for many a year. However, there are other contributing factors, such as the U.S. steel strike, which cut down our U.S. imports and upped our U.S. exports for a time.

The Gross National Product for 1959 turned out to be pretty much as anticipated by many people—\$34.6 billion. In 1958, the figure was \$32.6 billion. Prices rose by about two per cent in that period so actual volume increased by four per cent, which is equal to the average postwar

annual increase. The new budget banks on a continued growth in our economy. In fact, that is the condition for the hoped-for surplus.

The great unemployment figure debate erupted again in Ottawa. The only new thing to come out of this bickering was the tremendous amount of unemployed brains in the House—but even this is not really new. The fact remains that we still have too many jobless for a prosperous period.

There's the good and the bad. The main economic indicators show that we are still moving upward but at no fire alarm pace. There are enough facts available now to indicate that this will continue for some time yet. Ottawa is betting that this will happen. There are a few weak sisters (like unemployment) but their day of reckoning keeps moving further away. This is the optimistic note; for pessimism add that despite the persistent climbing of the economy some nightmare facts will not go away.

—by Maurice Hecht

(Saturday Night's Business Index is a compilation of statistical factors bearing, generally, on Canada's gross national product. It is designed to reflect pace of economic activity. The base 100 is drawn from 1955 data.)

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Dividend No. 293

NOTICE is hereby given that a dividend at the rate of forty cents per fully-paid share on the outstanding Capital Stock of this Bank has been declared for the quarter ending April 30, 1960, payable at the Bank and its branches on May 2, 1960, to shareholders of record at the close of business on March 31, 1960.

By Order of the Board

J. P. R. Wadsworth,
General Manager

Toronto, March 18, 1960

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LOBLAW GROCETERIAS CO. LIMITED

Notice is hereby given that a dividend for quarter ending May 31, 1960, has been declared on the Capital stock of the Company as follows:

First Preference	
Shares, Cumulative	37½ cents
Redeemable, Series "A" per share	
Second Preference	54 cents
Shares	per share
Common Shares	54 cents
	per share

The dividend will be payable June 1, 1960, to shareholders of record at close of business on the 4th day of May, 1960. The transfer books will not be closed. Payment will be made in Canadian Funds.

By Order of the Board.

R. G. MEECH,
Secretary.

Toronto, April 5, 1960.

LOBLAW COMPANIES LIMITED

Notice is hereby given that a dividend for quarter ending May 31, 1960, has been declared on the capital stock of the Company as follows:

Preferred Shares	60 cents
Cumulative Redeemable per share	
Class "A" Shares	10 cents
	per share
Class "B" Shares	10 cents
	per share

The dividend will be payable June 1, 1960, to shareholders of record at close of business on the 4th day of May, 1960. The transfer books will not be closed. Payment will be made in Canadian Funds.

By Order of the Board.

R. G. MEECH,
Secretary.

Toronto, April 5, 1960.

which comes to it via a pipeline from Maine.

It is quite possible that failure of the petroleum industry to boost exports to the U.S. will lead to government intervention to provide a crude oil line from Alberta to Montreal. This is not now economically feasible without some form of price concession by the oil producers. The cost of Canadian crude piped to Montreal would exceed the price of world crude off tanker on the Maine coast, plus piping to Montreal.

Some of the oil companies have much to gain from the favorable decision on natural-gas export since they have large reserves of gas. In this group is British American Oil.

Consumers Gas

I would like to have your opinion on the relative position of Consumers Gas. I recently purchased a \$1,000 20-year debenture through A. E. Ames, Toronto. Is this in your opinion a reasonably reliable firm?
—W.F., Mildmay.

Consumers Gas is a strong company with favorable growth prospects and the debentures are a high-grade investment. The Ames company is one of Canada's oldest and largest investment houses and exercises appropriate care in selecting corporate paper for distribution to clients. It has placed the paper of many of Canada's leading enterprises.

Shawkey Gold

Some years ago I purchased shares of Shawkey Gold Mining Co. Ltd. and promptly forgot them. Can you tell me if they have any value on to-day's market?
—E.B., Montreal.

Your original shares would appear to have an equivalent value of less than one cent each. Shawkey Gold Mining was succeeded by Shawkey (1945) Mines on the basis of one new for three old shares. The latter went through the wringer and emerged as Ultra-Shawkey Mines on the basis of one new for four old. Thus you would be cut down to one Ultra-Shawkey, recently selling for 10 cents a share, for each 12 shares of your initial holding.

Labatt Common

Do you recommend an investment in John Labatt Ltd. Common?—P.E., Saskatoon.

Labatt can be recommended with reservations. The brewing industry is highly competitive and seems to require extensive and expensive promotion. This is evident among other things in door-to-door



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of the best
seven-year-old
whisky
you can buy



sampling in the Toronto area by a competitive brewing firm which suspects householders of not buying its label.

Toronto Iron Works

Why did Toronto Iron Works pass its January dividend on Class "A" and common stocks?—P.D., Toronto.

Toronto Iron's failure to pay a dividend in January as in October largely reflects the continuance of price-cutting on the steel-fabricating industry. This affects the sales of structural steel and steel-plate work and is the result of reduced volume and increased fabricating capacity in the industry.

Some other areas of the company's operations have been profitable.

Western Copper Mills

I would appreciate your comments on Western Copper Mills Limited. The current market on 6% first mortgage bonds ex-warrants is substantially below par, and no interest payments are being made. Can we expect to see an improvement before too long?—W.C., Peterborough.

Western Copper Mills is one of several boom-sparked Canadian capital formations which ran into stormy weather by the time they were ready to swing into action. The project is based on the possibilities of the product being marketed in the Canadian west, also in the adjoining States. We wouldn't look for an early improvement in the economics of the operation. Speculative attractions might be conceded to the bonds providing the buyer is prepared to wait.

In Brief

Do you recommend Temagami Mining?—Y.T., Toronto.

Price is liberally discounting chances.

Does Opemiska look promising?—C.A., Montreal.

Still overhung by debt.

Anything new at Newlund?—C.E., Windsor.

Nothing worth noting.

Does closure of Cuban nickel mines help Int. Nickel?—M.L., Ottawa.

It should.



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Point of View

Just What Is Normal for Traffic Deaths?

by N. T. Gridgeman

IN THE DECADE that has just closed, more than 30,000 people died violently on the highways of Canada. Numerically, this is equivalent to the annihilation of, say, Guelph, Ontario. During the same period the injured totaled over 600,000, which is the combined populations of Winnipeg and Vancouver. And the recorded damage was of the order of \$600 million—a sum that would meet this country's bill for the Seaway. Does this shake you? Are your withers wrung by this vast accumulation of misery and destruction? If so, you differ from me. I don't know whether these figures are terrible, but I strongly suspect that they aren't. The parallels I have just drawn, although true, are quite pointless.

Of course, I am upset if anyone I know becomes a casualty, and I am shocked by individual accidents. This however is irrelevant; where mass phenomena are concerned, emotions, mine or anyone else's, are untrustworthy. All discussion of this topic is bedeviled by the absence of a *norm*. Only when the norm of anything is known can the abnormal be recognized. For instance, although tallness is logically undefinable, we easily recognize a tall man because we are familiar with the norm—the man of average height. In principle, there is a norm—an optimum rate—in traffic accidents, but all we can know about it is that it is *not zero*.

If I hear anyone labeling the automobile death-rate of around 3,000 a year as "terrible", I invariably make a nuisance of myself by asking, "Well then, what figure would you regard as *un*terrible? How would you react to a death-rate of 2,000? Or 1,000? Or 100?" Even *one* misshapen corpse is shocking in itself, yet if it was claimed to be the only highway corpse of the year, it would be too good to be true.

As killers, accidents differ significantly from diseases. There is always a reasonable hope that any particular disease can one day be virtually eliminated. Accidents can be reduced, but never eliminated, and the cost of reduction has to be carefully weighed. For despite the loose talk in some ecclesiastical circles, human

life is not sacred. Accident risk is a condition of life itself. We live in a technological, mechanized age whose benefits have included an enormous reduction in the general accident rate—at the expense of a small new risk of death from the mechanisms themselves.

One of the more wearisome clichés of our day is the thesis that technology (aside from its use in warfare) brings us more Bad Things than Good Things. Supporting evidence is meagre. We yammer about urban ulcers and suburban neuroses, but few of us notice that the highest suicide rate on this continent is in rural Alaska, or that one of the highest in Europe is in that haven of gracious living, Denmark.

At the turn of the century, the expectation of life in North America was 50 years; in 1930 it was 60; today it is 70. Meanwhile, the risk of accidental death has dwindled by half. Of that half, highway accidents now account, naturally, for a larger portion than ever before, *but it is still much less than other forms of accidental death*. Why then do we get so agitated about (or should it be "morbidly interested in"?) death on the highway?

Partly, I think, because of the strangely important role the automobile assumes, both psychologically and practically, in our lives. Everything concerning cars, and perhaps especially their death potential, engrosses us. To some commentators this role is wholly pernicious — Professor A. R. M. Lower's denunciation of "the great god CAR" is an example—but there is something equally strange about these imbalanced attacks.

Any writer suffering divine discontent will seize on the poor old Aunt Sally of the motor car. Dr. Esther Milner, in her recent book *The Failure of Success*, makes what she plainly considers a telling point in deprecating the nomination of a General Motors chief as a Man-of-the-Year for 1955, in which year, she shudders, over 38,000 Americans died in traffic

accidents. (Why not indict the President of General Foods because, in that same year, 1,300 Americans choked to death while eating?)

Bergen Evans, normally the sanest of men, goes berserk when contemplating the U.S. highway toll, declaring that "for the sheer horror of it we have to go back to the medieval plagues . . . And yet—a teen-age-old child could formulate rules that would put an end to it!" By a regrettable oversight Dr. Evans omits to tell us what those rules would be. Elsewhere, he calls on heaven to witness that, in the motor age as a whole, more than twice as many Americans have perished on the highways as died in all the wars the country has ever waged. This comparison is about as meaningful as an assertion (equally true) that more people were murdered in New York City in 1959 than died defending the Alamo in 1836.

Now all this is not to say that I am opposed to highway safety campaigns or to speed limits. Far from it. I rejoice in the knowledge that the excellent Ontario Demerit Points System rid us of about 15 lousy drivers last year — and penalized thousands of others. But do let us have less of the ghoul-and-gore approach to highway accidents.

Let us have a stoppage of the hourly radio count of the holiday dead — invariably beginning "Ontario heads the list . . ." with the implication that the drivers of that province are outstandingly bad (it's just that there are more of them, of course). And let us urge the manufacturers to take a more responsible attitude to the safety of the glamor wagons they turn out.

In conclusion, let me make my own position abundantly clear: I am againist sin; I think Canada's natural resources should be conserved; I am kind to little children; I support racial equality and peace and Miss Heggteit; and I go easy on marihuana. But I am not horrified by the highway death toll, and I don't think it could be *drastically* reduced, let alone zero'd, even if we all put our hearts and minds to it.

ANSWER TO PUZZLER

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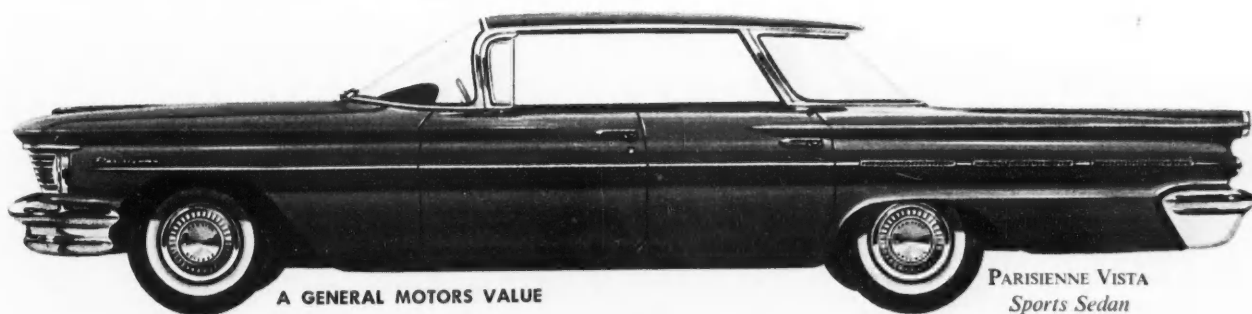


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